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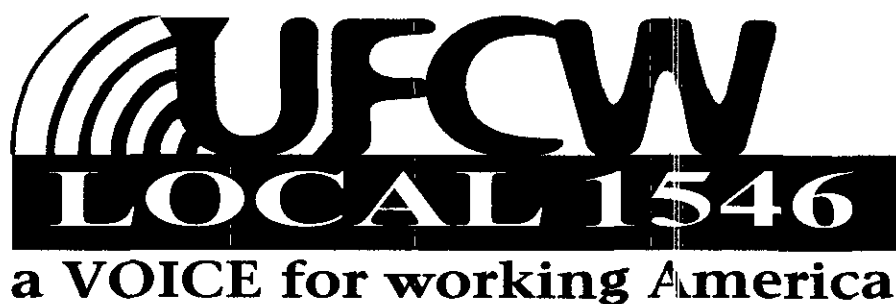
UNION CONTRACT: MEAT, FISH AND DELI DEPARTMENTS

**United Food & Commercial Workers International Union
Local 1546**

and

Dominick's Finer Foods, LLC

Effective
July 31, 2005 - August 2, 2008



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2005 - 2008

DOMINICK'S FINER FOODS, LLC

RETAIL MEAT CUTTERS CONTRACT

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ARTICLES OF AGREEMENT governing Retail Meat Markets entered into between **DOMINICK'S FINER FOODS, LLC** hereinafter called the "Employer", and **LOCAL 1546, MEAT DIVISION, UNITED FOOD & COMMERCIAL WORKERS INTERNATIONAL UNION**, hereinafter sometimes referred to as the "Union", acting as the exclusive collective bargaining agent for all employees covered by this Agreement.

ARTICLE I: GENERAL

SECTION 1.1: SCOPE OF CONTRACT

It is agreed that this Contract shall govern the hours, wages, and other conditions of employment of the Employer's meat department employees in Retail Meat Markets within the geographical jurisdiction of Local 1546, Meat Division.

SECTION 1.2: DEFINITIONS

A. APPRENTICE: An Apprentice is an employee who is in training to become a Journeyman Meat Cutter. Apprentices must be at least eighteen (18) years of age.

B. APPRENTICES HIRED AFTER 1/7/98:

1. Two part-time Apprentices per store calculated and distributed on a system wide basis; however, at no time shall the number of full-time positions be less than thirty percent (30%) of the new classifications.
2. Newly-hired Apprentices are to be laid off before any full-time or part-time Journeyman presently on the payroll as of January 7, 1998.
3. All employees hired before January 7, 1998, will be given first preference for the Apprentice position with a ninety (90) day trial period. All employees hired on or before ratification whose rate is above the 0-6 month rate will remain at their rate of pay at the time of promotion until they have the required time in the Apprentice position to progress to the next rate of pay.
4. No Meat Cutter or Wrapper employee in service on or before January 7, 1998 will be laid off or reduced in hours as a result of the Apprentice classification.
5. All Meat Cutters hired prior to January 7, 1998, who volunteer, shall have preference for all meat cutting hours on Sundays and holidays before Apprentices hired or promoted into the classification after January 7, 1998.
6. All newly-hired part-time Apprentices shall be guaranteed a minimum of four (4) hours per day, sixteen (16) hours per week.
7. Any employee who works more than forty (40) hours per week for twelve (12) consecutive weeks shall be made full-time.
8. After 84 months, the Apprentice will become a Journeyman Meat Cutter based on the new-hire wage structure.
9. Sunday shall be part of the workweek at time and one-half (1½) the employee's regular rate of pay.
10. An Apprentice promoted to Market Manager shall receive the current Market Manager rate of pay in the Contract.

C. JOURNEYMEN:

After serving the apprenticeship, an employee shall be classified as a Journeyman Meat Cutter, and shall be paid the Journeyman rate of pay, based on the new-hire wage structure.

D. PART-TIME JOURNEYMEN:

The Employer may hire and utilize part-time Journeymen on the following basis:

1. Wage rate shall be fifty cents (50¢) per hour below the regular Journeyman rate.
2. No full-time Pension contribution, unless they work one hundred, twenty-eight (128) hours or more per month.
3. A minimum of sixteen (16) hours, and a maximum of thirty (30) hours, of work per week.
4. First refusal on full-time openings.
5. No scheduling restrictions, and no time and one-half (1½) for work performed after 6:00 PM. However, part-time Journeymen hired on or before October 31, 2005 will receive a fifty cents (50¢) per hour premium for all hours worked between 11:00 PM and 6:00 AM.
6. One (1) part-time Journeyman per store except in markets where the sum of the Head Meat Cutter, Journeyman and Apprentices equal eight (8); in which event, the Employer can utilize a second part-time Journeyman.
7. Part-time Journeymen must be laid off prior to the layoff of any full-time Journeyman (by area, by seniority).

E. HEAD MEAT CUTTER:

The term "Head Meat Cutter" means a Journeyman Meat Cutter who is responsible for the efficient management of the market. Each store will have only one (1) Head Meat Cutter.

F. WRAPPERS:

Wrappers may be employed, and their duties shall be confined to slicing luncheon meats and sausages; clean-up work in the market; stocking cases; and wrapping, scaling and pricing.

Current Seafood and Wrapper employees shall be red-circled, and will not have hours reduced as a result of current Seafood employees doing wrapper duties, or current wrappers doing Seafood duties. As of January 7, 1998, Seafood employees or Wrappers may agree with the Employer to work in the other department. Effective January 7, 1998, employees will only be hired in as wrappers, and may be assigned Seafood work as determined by the Employer.

Part-time Wrappers may be employed on the following basis:

1. Part-time Wrappers can only be new hires or employees who transfer into that classification from the Delicatessen Department, it being understood that the transfer of an employee from the Delicatessen Department classification to the part-time Wrapper classification is optional with the Employer, and that any full-time Delicatessen Department employee so transferred would be "red-circled" until such time as the part-time wrapper rate reached the red-circled employee's rate of pay.
2. When a full-time wrapper is needed in a given store, the Employer will endeavor to fill said position by selecting from all applicants, the applicant whose qualifications, ability and availability for work are the greatest; provided, however, that where qualifications are equal, preference shall be given to part-time wrappers employed in that given store.

The determination of the relative qualifications of all applicants is expressly reserved to the Employer.

3. Part-time wrappers shall be scheduled for a minimum of four (4) hours in any one (1) day, and sixteen (16) hours in any one (1) week. Part-time wrappers shall not be scheduled for more than thirty (30) hours in any one (1) week. In the event that they work more than thirty (30) hours per week, they must be paid the full-time wrapper rate for the hours worked in excess of thirty (30). Furthermore, part-time wrappers who were in service on or before July 20, 1985 shall not be scheduled to work past 10:00 PM. In the event that part-time wrappers who were in service prior to July 20, 1985 work past 10:00 PM, they must be paid the full-time wrapper rate for hours worked beyond 10:00 PM.
4. Part-time wrappers hired on or after October 6, 1985 shall be scheduled for a minimum of four (4) hours in any one (1) day, and sixteen hours in any one (1) week. Those newly hired part-time wrappers shall not be scheduled for more than thirty (30) hours in any one (1) week, and may begin their work day any hour of the day, however, they will receive fifty cents (\$0.50) per hour premium pay for all hours worked between 11:00 PM and 6:00 AM.
5. Sunday work for all wrappers shall be voluntary by seniority, by rotation. If no wrappers volunteer for Sunday work, then such work shall be mandatory for part-time wrappers only by reverse seniority, by rotation. Part-time wrappers shall be paid time and one-half (1½) their regular hourly rate of pay for all work performed on Sunday. Sunday shall be part of the work week for Wrappers hired after January 7, 1998. Sunday rate of pay remains at time and one-half (1½).
6. All part-time wrappers must be laid off before the layoff of any full-time wrappers.
7. All part-time wrappers in a given store must be laid off before any journeymen are laid off in that same given store, provided that such journeyman was classified as a journeyman on or before October 31, 2005.

Wrappers shall not use knives, saws, grinders, cube machines, or other mechanical equipment used in preparation or processing of fresh meats or poultry other than as specified above, but Wrappers may perform all market functions, excluding the use of power saws in serving individual customer requests.

Service Deli Clerks will be allowed to stock out of stock pre pack deli items when no meat employee is on duty.

G. CLEAN-UP PERSONNEL:

The Employer may employ personnel in the market who will not be subject to the collective bargaining agreement to do clean-up work only.

SECTION 1.3: NOTICES

All notices required under this Contract shall be deemed to be properly served if delivered in writing personally, or sent by certified or registered mail to the offices of the Union, or to the Employer, or to an employee at his/her home or residence address, or to any subsequent address which the Union, the employee, or the Employer may designate in writing for such purpose. Date of service of a notice served by mail shall be the date on which such notice is postmarked by a post office of the United States Post Office Department.

SECTION 1.4: PARTIAL INVALIDITY

Nothing contained in this Agreement is intended to violate any Law, Rule, or Regulation made pursuant thereto. If any part of this Agreement is construed by a court or board of competent jurisdiction to be in such violation, then that part shall be made null and void, the remainder of the Contract shall continue in full force, and the parties will immediately begin negotiations to replace the void part with a valid provision.

SECTION 1.5: AUTHORITY OF SIGNING PARTIES

The parties hereto certify that they are empowered and duly authorized to sign this Agreement.

SECTION 1.6: SUCCESSORS & ASSIGNS

This Agreement, and the conditions and covenants contained herein, shall be binding upon the successors and assigns of the parties hereto, and none of the provisions, terms, conditions, covenants, or obligations herein contained shall be affected, modified, altered or changed in any respect whatsoever.

SECTION 1.7: EFFECTIVE DATE

Unless the context of a provision indicates otherwise, all provisions of the contract become effective upon the first day of the term of the Contract.

ARTICLE II: RECOGNITION & JURISDICTION

SECTION 2.1: RECOGNITION

The Employer recognizes and agrees that said Union is and shall be the sole and exclusive collective bargaining agency for, and on behalf of, all employees in the meat department of said Employer who process, pack, wrap, handle, price and sell frozen and fresh meats on Employer's premises, and that it will not negotiate with any but the duly elected officers of the Union, nor contract with anyone not affiliated with the Union.

SECTION 2.2: PROCESSING

In retail markets, employees covered by this contract shall perform the cutting, preparing, fabricating, handling, pricing, and packaging into retail cuts of fresh beef, veal, pork and lamb, it being understood and agreed, however, that the Employer (in consideration of all the terms and conditions of this Agreement) may receive into and utilize within the retail markets, prefabricated primal and sub-primal beef cuts as such terms are generally understood within the meat packing and processing industry. It is also understood and agreed that the Employer, in consideration of all of the terms and conditions of this Agreement, may receive into, and utilize within the retail markets prefabricated primal and sub-primal veal, pork and lamb.

Notwithstanding the foregoing, it is further understood, and the parties hereby stipulate and agree, that the Employer may receive into and utilize within the retail markets Prepackaged Delicatessen items without the requirement that those items be price marked, provided that those items have a UPC symbol affixed to the package. Furthermore, the Employer may continue to receive into and utilize within its retail markets fresh fish without the requirement that product be cut, prepared, fabricated, etc., priced or packaged on the premises, and may continue to receive into and utilize within its retail markets frozen fish items without the requirement that those items be price marked. Furthermore, the Employer may receive into and utilize, within the retail markets, any available market technology as it relates to case and/or counter-ready product.

SECTION 2.3: JOB SECURITY

It is the intent of the parties that the utilization of prefabricated product and counter-ready product as described herein, shall not result in or cause the loss of employment of certain employees.

Therefore, all full-time employees and extra journeymen in the Meat Department, including journeyman meat cutters assigned to the Delicatessen Department who were on the Employer's payroll as of March 1, 1980 and actively employed and working as of May 27, 1982, and all full-time and part-time Delicatessen employees, who were on the Employer's payroll (actively employed and working) as of May 27, 1982, will have for the duration of this Agreement the following:

1. Full-time employees will have full-time employment, which is defined for the purposes of this Section, as forty (40) straight-time hours during a regular workweek, and thirty-two (32) hours during a holiday workweek.
2. Part-time Delicatessen employees will have part-time employment, which is defined for the purposes of this Section, as sixteen (16) straight-time hours during a regular workweek.

Extra Journeymen on the Employer's payroll as of March 1, 1980, and actively employed and working as of May 27, 1982, will also have, for the duration of this Agreement, the number of weekly hours that they worked on a regular basis prior to March 1, 1980.

The Employer shall provide the Union with a list of its employed meat department personnel, including regular extra journeymen and journeymen assigned to the Delicatessen Department as of March 1, 1980, and actively employed and working as of May 27, 1982, and Delicatessen Department employees as of May 27, 1982. Such a list shall include the employee's name, job classification, seniority date, and number of regular hours worked per week. Employees temporarily off work due to sick leave, vacation, or other approved leave of absence shall be included on the list.

No Journeymen in service on or before November 22, 1988, will be laid off or reduced in hours as a result of the utilization of pre-priced poultry or as a result of the expanded wrapper duties.

The Employer shall be under no obligation to replace employees protected hereunder if their employment is terminated due to quit, discharge for cause, retirement, death or for any voluntary reason, except, however, it is agreed that employees who are on layoff and who have recall rights as of the execution date of this Agreement and protected employees who may be laid off thereafter shall have the right, during the term of this Agreement, to be recalled to replace such terminated employees at the time of termination and returned to protected status.

These job security provisions may change subject to situations not under the control of the Employer, such as, but not limited to, new competition, fire, flood, snow, power failure, proven decline in sales, proven decline in tonnage, labor dispute or unavailability of meat products. The parties agree to discuss any impact of new competition concerning the provisions of this job security section. In the event no agreement can be reached, the issue will be submitted to arbitration in accordance with the provisions of Article XI.

SECTION 2.4: HIRING HALL

When the Employer needs additional employees, he shall give the Union equal opportunity with all other resources to provide suitable applicants. Therefore, when openings occur, the Employer shall first notify the Union that a vacancy exists. The Union shall refer applicants to the Employer from their records of available and qualified members who are seeking employment. The Employer shall give such applicants equal consideration, but shall not necessarily be required to hire those persons referred by this process.

SECTION 2.5: TOTAL AGREEMENT

It is specifically understood and agreed that the above provisions of this Article II enabling the introduction into and utilization within the retail markets of prefabricated primal and sub-primal beef cuts, veal, pork, lamb and mutton are conditioned upon the total agreement of the parties including, but not necessarily limited to, Section 2.2 Processing, Section 2.3 Job Security, and Section 2.4 Hiring Hall.

It is understood and agreed that the Employer and the Union have entered into a total agreement, including concessions and understandings which have altered the prior agreements between the parties. The inclusion of Section 2.2, 2.3 and 2.4 in this collective bargaining agreement has been conditioned upon the resolution of all items bargained with respect to this Agreement.

SECTION 2.6: SALE

In self-service markets, employees covered by this Contract shall have the exclusive jurisdiction over the sale of all fish, poultry, rabbits and meat, whether frozen fresh or fresh, and delicatessen meats, except sliced packaged bacon, sliced packaged Canadian bacon, canned and glassed meats of all kinds and all

meats not for human consumption. All product currently being handled by employees covered under this contract will continue to be handled in the future by employees covered under this contract. Nothing in this section restricts the Employer from utilizing counter ready product or any technology as it relates to the handling and preparation or selling of product.

ARTICLE III: WAGES

SECTION 3.1: WAGE RATES

Not less than the following wages shall be paid during the term of this Contract:

	Current	7/31/05	7/30/06	7/29/07
Head Meat Cutter	\$21.33	\$21.73	\$22.03	\$22.43
Journeyman**	\$20.75	\$21.35	\$21.65	\$22.00

** Hired on or before 1/7/98

APPRENTICES HIRED AFTER 1/07/98

	Current	7/31/05	7/30/06	7/29/07
0-6 Months	\$8.70	\$10.30	\$10.60	\$10.80
7-12 Months	\$9.20	\$10.70	\$11.00	\$11.20
13-24 Months	\$9.70	\$11.20	\$11.40	\$11.60
25-36 Months	\$10.45	\$11.60	\$11.80	\$12.00
37-48 Months	\$11.45	\$12.00	\$12.20	\$12.40
49-60 Months	\$12.70	\$12.80	\$12.90	\$13.00
61-72 Months	\$14.45	\$14.45	\$14.45	\$14.45
73-84 Months	\$16.45	\$16.45	\$16.45	\$16.45
+ 84 Months (Journeyman)	\$17.70	\$18.40	\$18.60	\$18.95

WRAPPERS IN SERVICE BEFORE 10/05/85

	Current	7/31/05	7/30/06	7/29/07
Part-time	\$14.25	\$14.50	\$14.65	\$14.90
Full-time	\$17.10	\$17.35	\$17.50	\$17.75

FULL-TIME & PART-TIME WRAPPERS/SEAFOOD EMPLOYEES
HIRED ON OR AFTER 10/06/85 THROUGH 11/21/88

	Current	7/31/05	7/30/06	7/29/07
Part-time 48-60 Months	\$13.10	\$13.25	\$13.50	\$13.75
Full-time 60-72 Months	\$13.60	\$13.80	\$14.00	\$14.25
Full-time + 72 Months	\$14.10	\$14.25	\$14.50	\$14.75

FULL-TIME & PART-TIME WRAPPERS/SEAFOOD EMPLOYEES
HIRED ON OR AFTER 11/22/88 THROUGH 12/10/91

	Current	7/31/05	7/30/06	7/29/07
Part-time 48-60 Months	\$12.35	\$12.75	\$13.00	\$13.25
Full-time 60-72 Months	\$12.85	\$13.00	\$13.25	\$13.50
Full-time + 72 Months	\$13.35	\$13.85	\$14.00	\$14.25

FULL-TIME & PART-TIME WRAPPERS/SEAFOOD EMPLOYEES
HIRED ON OR AFTER 12/11/91 THROUGH 10/31/2005

	Current	7/31/05	7/30/06	7/29/07
0-12 Months	\$7.50	\$7.75	\$8.00	\$8.20
13-24 Months	\$8.00	\$8.30	\$8.45	\$8.60
25-36 Months	\$8.80	\$9.00	\$9.20	\$9.20
37-48 Months	\$9.30	\$9.50	\$9.50	\$9.50
*49-60 Months #	\$11.05	\$11.30	\$11.30	\$11.30
61-72 Months	\$11.85	\$12.05	\$12.05	\$12.05
+72 Months #	\$12.35	\$12.60	\$12.60	\$12.60

*Part-Time Cap.

Those employees at or above the part-time capped rate or the full-time top rate will receive increases of \$.15 effective 7/30/06 and \$.25 effective 7/29/07.

FULL-TIME & PART-TIME WRAPPERS/SEAFOOD EMPLOYEES
HIRED ON OR AFTER 10/31/2005

	7/31/05	7/30/06	7/29/07
0-6 Months	\$7.75	\$8.00	\$8.20
7-12 Months	\$8.00	\$8.30	\$8.50
13-24 Months	\$8.25	\$8.60	\$8.80
25-36 Months	\$8.80	\$8.90	\$9.00
37-48 Months	\$9.30	\$9.30	\$9.30
49-60 Months	\$9.80	\$9.80	\$9.80
61-72 Months	\$10.40	\$10.40	\$10.40
*73-84 Months	\$11.05	\$11.05	\$11.05
85-96 Months	\$11.85	\$11.85	\$11.85
+96 Months	\$12.35	\$12.35	\$12.35

*Part-Time Cap.

Wrappers hired on or after 10/6/85, shall receive fifty cents (50¢) per hour premium pay for all hours worked between 11:00 PM and 6:00 AM.

Any employee receiving above the minimum shall not be increased in hours nor decreased in wages or working conditions.

All Employees will receive up to two (2) years credit for wage purposes, for prior service as an employee in a store where the department employees were represented by a UFCW Local. All prior service must be shown on the application, and must have occurred not more than two (2) years prior to the date of application.

Lump Sum Payment

The Company will pay a \$.30 per hour lump sum payment within 30 days following ratification to employees at top rates or part-time capped rates in their classification. This payment shall be made on all hours worked in the 52-week period immediately preceding ratification. Employees on an approved leave of absence or lay-off shall receive their payment upon their return to work.

ARTICLE IV: WORKING HOURS & OTHER CONDITIONS OF EMPLOYMENT

SECTION 4.1: BASIC WORKDAY – EMPLOYEES HIRED BEFORE 7/21/85

Eight (8) hours shall constitute the basic workday, except as modified by Article I, Section 1.2 (C) and 1.2 (E) and Article V, which shall be scheduled to begin no earlier than 5:00 AM, and to end no later than 6:00 PM, unless such employees volunteer to work after 6:00 PM or are scheduled to work after 6:00 PM on Wednesday, Thursday, or Friday night. One (1) hour shall be allowed for lunch in all markets, whether manned by one or more employees; said lunch hour to begin no earlier than 11:00 AM and to end no later than 2:00 PM, except for part-time wrappers whose meal period will be the same as part-time delicatessen employees. The lunch period can be changed to one-half (½) hour by mutual agreement. No employee shall be required to work more than five (5) continuous hours without a lunch period. Employees must be dressed and ready for work at the scheduled starting time. An employee who is scheduled to start work at 5:00 AM shall maintain that starting time for the full week. The 5:00 AM starting time shall be rotated among the meat cutters in the market by seniority, with the understanding that in the event that any

Employer avails itself of the 5:00 AM start, and no employee wishes to start at that time, the employees would be assigned by reverse seniority.

SECTION 4.2: BASIC WORKDAY – EMPLOYEES HIRED ON OR AFTER 7/21/85

Eight (8) hours shall constitute the basic workday, except as modified by Article I, and Article V, which may be scheduled to begin no earlier than 5:00 AM and no later than 12:00 noon, except all employees hired after October 31, 2005 may be scheduled to be on duty at any time. Those employees so scheduled shall be paid at their regular straight-time rate of pay for the eight (8) hours of work for which they are scheduled. One (1) hour shall be allowed for lunch in all markets whether manned by one or more employees. The lunch period can be changed to one-half (½) hour by mutual agreement. No employee shall be required to work more than five (5) continuous hours without a lunch period. Employees must be dressed and ready for work at the scheduled starting time.

SECTION 4.3: BASIC WORKWEEK

Five (5) basic work days (40 hours) shall constitute the basic workweek, which shall be worked Monday through Saturday, inclusive. One (1) full day off within the week of Monday through Saturday, inclusive, shall be allowed each employee in each shop. The day off shall be at the Employer's discretion, except that it may be rotated or changed in accordance with the mutual agreement of the Employer and his employees.

For all employees hired after October 31, 2005 the basic workweek shall be worked Sunday through Saturday, inclusive.

At the Employer's option, the Employer may request volunteers to work basic workweek of four (4), ten (10) hour days. The workweek is to be Monday through Saturday, with a start of no later than 9:00 AM for employees hired prior to 10/5/85. The Company will make every attempt to give two (2) consecutive days off. This workweek shall be voluntary for all employees in the meat department (including the Market Manager), by seniority, by rotation.

All hours over ten (10) in one day shall be paid at the rate of one and one-half (1½).

All hours worked over thirty (30) hours in a holiday week shall be paid at the rate of one and one-half (1½) their regular rate of pay.

Holiday pay shall be paid at ten (10) hours for the holiday, birthday and sick days.

Work schedules showing the day off for full-time and part-time employees shall be posted, in ink or computer printout, in all markets and departments by 3:00 PM on the Thursday preceding the week in which the schedule is to be effective. The schedule shall include Sunday through Sunday, and be posted in an area accessible to all employees.

SCHEDULED WORKWEEK

A regular employee instructed to report for a basic workweek of forty (40) hours, and who reports as instructed, shall not have his/her hours reduced in such week, except in the event the Employer's operations cannot begin or continue due to the recommendation of civil authorities, or public or private utilities fail, or are unable to supply electricity, water, or other such services as required, or the interruption of work is caused by an Act of God such as fire, flood, etc. or due to a labor dispute, or any other activity beyond the control of the Employer which interferes with the normal operations of the market. In such event, the employee shall receive pay only for those hours actually worked, and shall not be governed by the daily or weekly minimum (hours worked or minimum pay) requirements of this Agreement.

It was further agreed that all part-time employees who report to work as scheduled shall not have his/her hours reduced except due to the conditions set forth above. In the event that part-time replacement hours are available, such hours shall be offered to part-time employees at work, that day, in order of seniority, provided such work does not result in overtime and provided such employee agrees to work all such offered hours.

SECTION 4.4: SIXTH DAY GUARANTEE

Any employee called to work on the sixth (6th) day in any regular workweek shall be guaranteed four (4) hours (½ day) of work. Reporting time on the sixth (6th) day shall be no earlier than 5:00 AM for a full day, or morning half day, and no earlier than 1:00 PM for an afternoon half day. It is agreed that the Head Meat Cutters and Journeyman shall be given preference over apprentices for work on the sixth (6th) full, or half day during a regular workweek, and on the fifth (5th) full, or half day during a holiday week.

SECTION 4.5: OVERTIME

At the Employer's discretion, overtime at overtime rates may be worked after eight (8) hours in any one day. Such overtime shall be offered by seniority, and rotation in classification.

SECTION 4.6: PYRAMIDING OF OVERTIME & PREMIUM HOURS PROHIBITED

Overtime and premium hours shall not be paid twice for the same hours worked. Thus, in calculating the overtime due on a weekly basis, any hours for which overtime or premium is payable on a daily, Sunday, holiday or other basis shall be excluded in determining the overtime due, if any, on a weekly basis. **This provision applies to the Meat Master Contract and all Supplements.**

SECTION 4.7: INVENTORY

Employees shall not take inventory outside of regular working hours.

SECTION 4.8: LAUNDRY, TOOLS & EQUIPMENT

Laundry, tools and sharpening of tools shall be furnished free of cost by the Employer. The kinds of saws, power saws, conveyors, sealing irons, sealing plates, staplers, recording and printing sealers for weighing, vacuum sealing equipment, packaging equipment and other tools which the Employer may use shall be determined by the Employer.

The Company agrees that each store and all departments covered by this Agreement shall have a first aid kit as part of its equipment.

SECTION 4.9: REST PERIOD

Each employee shall have two (2) rest periods of fifteen (15) minutes each to be taken daily in the middle of each four (4) hour period, except for part-time wrappers, whose rest periods shall be the same as part-time delicatessen employees.

SECTION 4.10: TRANSFERS

Transfers of employees shall not be handled in a capricious or arbitrary manner. The Employer may transfer employees to meet the necessities of the business. Where required, transfers will be made on the basis of the following limitations:

- A. No employee shall be involuntarily transferred outside of their "seniority area."
- B. In the event a transfer is required outside of the "seniority area," the Employer will first seek volunteers. If no volunteers apply for the transfer, the Employer will make the transfer in accordance with inverse seniority.
- C. When an employee has reported to a particular store and is transferred to another store the same day, he/she shall be compensated for normal expenses and reasonable travel time.
- D. An employee desiring a transfer to a store closer to home shall notify the Employer in writing of such desire to transfer to a specific store. In the event of an opening in a specific store, the employer's request will be considered.

SECTION 4.11: LOADING OR UNLOADING VEHICLES

Employees shall not be required to load or unload vehicles other than from the tailgate, except in case of emergency. The Union shall be notified in such emergency situations.

SECTION 4.12: EMPLOYER MEETINGS - REQUIRED ATTENDANCE

When an employee is required to attend a meeting called by the Employer, he/she shall be paid for all time in attendance at the meeting.

ARTICLE V: MARKET OPERATING HOURS

SECTION 5.1: MARKET OPERATING HOURS – MONDAY THROUGH FRIDAY

Except as modified by Article I, and Article IV, Section 4.1 (2) or elsewhere in this Agreement, the Employer may sell fresh meat and fresh fish after 6:00 PM without a member of the bargaining unit on duty. However, the Employer may require a journeyman on duty from 6:00 PM until 9:00 PM at a wage rate of time and one-half (1½) the regular hourly rate. Employees hired prior to July 20, 1985, may volunteer to work up to 9:00 PM as part of their basic eight (8) hour workday, Monday through Friday. Hours after 6:00 PM will be worked on a voluntary basis Monday through Friday. If there are insufficient volunteers, the Employer may schedule by inverse seniority and rotation on **Wednesday, Thursday, and Friday nights only**. Hours worked after 6:00 PM will count towards the forty (40) hour workweek, and will be paid at time and one-half (1½). The schedule must be posted by 3:00 PM on Thursday prior to the following workweek. The Employer may sell fresh meat and fresh fish at any time the store is open for business. The Employer may require any employee hired after October 31, 2005 to be on duty at any time and such employee will be paid at their straight time wage rate plus any applicable premium or if required by federal statute, at time and one-half (1½) the employee's straight time wage rate for hours worked after forty hours per week.

SECTION 5.2: MARKET OPERATING HOURS – SATURDAYS & DAYS PRECEDING HOLIDAYS

Except as modified by Article I, and Article IV, Section 4.1 (2) or elsewhere in this Agreement.

The Employer may sell fresh meat and fresh fish after 6:00 PM without a member of the bargaining unit on duty. No one in the Meat Department will be required to be on duty from 6:00 PM until 9:00 PM on Saturday, or days preceding a holiday. However, work from 6:00 PM until 9:00 PM on Saturdays and days preceding holidays can be done on a voluntary basis as part of the basic eight (8) hour workday. Hours worked after 6:00 PM shall count towards the forty (40) hour workweek, but shall be paid at time and one-half (1½). Such voluntary work shall be offered by seniority, classification, and rotation for all journeymen in the Meat Department including the Head Meat Cutter; it being understood that if a Head Meat Cutter or Journeyman does not volunteer, then the work will be offered to Apprentices, it being understood that if an Apprentice does not volunteer, a Wrapper could be utilized on a voluntary basis. In markets where additional help is required, the second and third persons can be Wrappers and/or Apprentices. Any employee hired after 10/31/2005 may be required to be on duty at any time and such employee will be paid at their straight time wage rate plus any applicable premium or if required by federal statute, at time and one-half (1½) the employee's straight time wage rate for hours worked after forty hours per week.

SECTION 5.3: MARKET OPERATION HOURS – SUNDAYS & HOLIDAYS

Except as modified by Article I, and Article IV, Section 4.1 (2) or elsewhere in this Agreement.

The Employer may sell fresh meat and fresh fish at any time on Sundays and holidays without a member of the bargaining unit on duty. No one in the Meat Department will be required to work on Sundays or holidays. However, work on Sundays and holidays can be done on a voluntary basis. If at the Employer's request an employee volunteers to work, such employee shall be paid a wage rate of time and one-half (1½) his regular hourly rate. Employees volunteering for such work shall be guaranteed a minimum of four (4) hours of work. The starting time for such employees shall be no earlier than 5:00 AM and no later than 9:00 AM. Such voluntary work shall be offered by seniority, classification and rotation for all journeymen in the Meat Department including the Head Meat Cutter; it being understood that if a Head Meat Cutter or a Journeyman do not volunteer then the work will be offered to Apprentices; it being understood that if an Apprentice does not volunteer, a Wrapper could be utilized on a voluntary basis. In markets where additional help is required, the second and third volunteers can be either Wrappers and/or Apprentices.

Journeyman and full-time wrappers may be required to work on Sundays under the following conditions:

- A. Outside of regular workweek;
- B. Starting times to remain as is the Contract;
- C. Company will first seek volunteers;
- D. If no one volunteers, the Employer may require no more than one (1) journeyman or full-time wrapper to work on such Sunday, by inverse seniority, by rotation.
- E. No employee will be required to work more than two (2) Sundays per month. In the case when a holiday falls in a given month, the holiday will count to fill the required two (2) Sundays per month minimum.
- F. Work in home store only.

If no one volunteers, the Employer may utilize a list comprised of volunteers from the operating area who may be assigned to any store within the operating area for Sunday and holiday work. If an employee volunteers for Sunday and holiday work within the area, he or she shall be available for such work for a three (3) month period of time. After each three (3) month period of time, a new volunteer list will be compiled.

If there are insufficient volunteers for Sunday work, the parties agree that the Company may hire former Dominick's Finer Foods, LLC journeymen for Sunday work only. These individuals will be paid at the part-time journeyman rate specified in Section 1.2 (C) (1) of the Labor Agreement, including time and one-half (1½) for hours worked on Sunday, but will not be subject to any daily or weekly minimums, nor will they receive any benefits.

Any employee hired after October 31, 2005 may be required to be on duty at any time. Such employee will be paid at time and one-half (1½) the employees straight time wage rate for hours worked on a holiday or if required by federal statute for hours worked after forty (40) hours per week. Such employees shall be paid at their straight time wage rate for hours worked on Sunday. Effective Sunday, March 4, 2007 employees hired on or after October 31, 2005 shall be paid at their straight time wage rate plus the below Sunday premiums:

13-24 months of employment	\$1.00 per Sunday hour;
25-36 months of employment	\$1.50 per Sunday hour;
37 or more months of employment	\$2.00 per Sunday hour.

ARTICLE VI: HOLIDAYS, VACATIONS & OTHER COMPENSABLE ABSENCES

SECTION 6.1: HOLIDAYS

All full-time and part-time employees shall be entitled to the following holidays:

New Year's Day	Labor Day
Memorial Day	Thanksgiving Day
Independence Day	Christmas Day

Holidays shall be celebrated on the day that they are nationally observed, except for Christmas Day, which shall be celebrated on December 25th.

If the employer is open on Christmas Day work shall be done on a volunteer basis. No employee may be forced to work on Christmas Day. Employees need to give two (2) weeks advance notice to the Employer of their intent to work on Christmas Day.

Employees who are absent on the regularly scheduled work day before, after, or on a holiday, except in the case of proven illness or unavoidable absence shall not receive holiday pay, but shall be paid only for the hours actually worked.

During a holiday week, full-time employees shall receive a full week's pay for four (4) days of work. If an employee works the fifth (5th) day during a holiday week, he shall be paid at time and one-half (1½).

No employee shall be required to work past 6:00 p.m. on Christmas Eve.

SECTION 6.2: EMPLOYEE'S BIRTHDAY

Employees shall be scheduled off the Monday of the workweek in which the employee's birthday occurs, or the Monday in the following workweek, as mutually agreed upon by the employee and the Employer. Full-time employees shall receive eight (8) hours straight-time pay for the day off observed as their birthday, or in the event a day off is not scheduled, full-time employees shall receive eight (8) hours straight-time pay in addition to their regular pay for all hours worked. Work on the fifth (5th) day of a birthday workweek shall be paid at the applicable straight-time hourly rate for the basic eight (8) hour day. Every eligible employee shall be entitled to one (1) birthday holiday each year.

SECTION 6.3: SICK DAYS

All full-time and part-time employees who have completed their probationary period shall be entitled to four (4) paid sick days within the calendar year, with the understanding that in the event an employee's service is terminated prior to his utilizing such sick days, he will not be entitled to receive payment for sick days upon his termination, except that in the event an employee terminates after July 1, of any calendar year, he/she shall receive pay for two (2) such days if not taken.

In the event an employee has not taken any sick days within the applicable year, he/she shall receive pay during the month of December for such sick days not taken, and it is further agreed that if an employee changes Employers within the calendar year, such employee shall not be granted sick day consideration in the event he/she availed himself/herself to such sick days with his/her prior Employer.

Employees hired on or after October 31, 2005 shall not earn or receive any sick days.

SECTION 6.4: HOLIDAY PAY

Part-time employees who qualify shall receive holiday pay equal to the product of five percent (5%) of the number of straight-time hours worked during the four (4) week accounting period preceding the period in which the holiday falls (including paid vacation hours) times his straight-time hourly rate in effect in the week in which the holiday falls; it being understood, that in no event will such employee receive less than four (4) straight-time hours of pay.

SECTION 6.5: VACATIONS

A. Length of Vacations

1. PRESENT EMPLOYEES

All full-time and part-time employees covered by this Contract who were in service on or before 10/05/85, and who qualifies, shall be entitled to a vacation with pay for each year of employment in accordance with the following schedule:

<u>Number of Successive Years of Full-time Employment</u>	<u>Number of Weeks of Vacation With Pay</u>
1 year.....	1
2 through 4 years, inclusive.....	2
5 through 11 years, inclusive.....	3
12 through 19 years, inclusive.....	4
20 through 24 years, inclusive.....	5
25 or more years.....	6

2. EMPLOYEES HIRED AFTER 10/06/85

All full-time and part-time employees covered by this Contract who was hired on or after 10/06/85 and who qualify, shall be entitled to a vacation with pay for each year of employment in accordance with the following schedule. Effective January 1, 1995, employees in service after October 5, 1985 will move to the following structure:

<u>Number of Successive Years of Full-time Employment</u>	<u>Number of Weeks of Vacation With Pay</u>
1 year.....	1
2 through 6 years, inclusive.....	2
7 through 14 years, inclusive.....	3
15 through 19 years, inclusive.....	4
20 or more years.....	5

B. DEFINITIONS

The term "year of employment" means the period beginning on the date of most recent employment (or, after the first year, on the anniversary date of such employment) and ending on the day prior to said date twelve (12) months later.

The term "successive", used in connection with employment, means employment uninterrupted by separation from service.

C. ADMINISTRATION OF VACATION PROVISIONS

1. All vacations shall be subject to necessary scheduling by the Employer, who may limit the number of employees who may be on vacation at any one time.

Vacations may be scheduled at any time during the calendar year, provided that the Employer has sufficient employees within the necessary classifications to adequately staff his store.

2. The vacation schedule shall be posted in all markets by December 1st of the preceding year, and a copy furnished to the Union. When a change in a vacation becomes necessary, the

Employer and the employee involved shall be given reasonable advance notice of such change.

Notwithstanding the foregoing, it is further understood, and the parties hereby stipulate and agree, that once an employee has picked his vacation, it shall become permanent absent agreement by the employee to the contrary.

Any employee who is scheduled the majority of their hours within the seafood department shall pick their vacation from the seafood department vacation schedule.

3. All vacations shall be for calendar weeks.

By mutual agreement between the employer and the employee, the employee may use single vacation days.

4. Whenever a holiday recognized under this Contract falls within an employee's vacation period, the employee shall receive an extra day's pay, or subsequent day off, at the Employer's option.
5. A week's vacation pay for full-time employees shall be calculated by multiplying forty (40) times the employee's regular straight-time hourly rate for the classification to which he/she is assigned at the time of taking his/her vacation. A week's vacation pay for part-time employees shall be calculated by multiplying 1/52 times the employee's hours worked during the preceding anniversary year times their current rate of pay in effect on his/her vacation day.
6. No employee shall be entitled to more than one (1) vacation for any employment year.
7. An employee who has qualified for his/her first (1st) vacation and who terminates after having worked six (6) months or more since his last anniversary date, such employee shall receive pro-rata vacation pay in accordance with the following schedule except where termination of service is due to proven dishonesty, drunkenness, or use or possession or sale of controlled substances:

**Completed Months of Service
Since Last Service Anniversary
Vacation Pay***

Less than 6 months	None
6 months	6/12ths
7 months	7/12ths
8 months	8/12ths
9 months	9/12ths
10 months	10/12ths
11 months	11/12ths
12 months	Full Vacation Pay

*Vacation pay shall be calculated on the basis of the vacation to which the employee was entitled at his/her last previous service anniversary.

If an employee has received his/her vacation with pay for such year of employment, he/she shall refund the difference, if any, between the vacation pay paid and the vacation pay to which he/she is entitled under the above schedule. It is understood that it shall not be the obligation of the Union to assist in collection of such refunds.

A Journeyman relieving a Head Meat Cutter on vacation shall receive the Contract rate of pay for Head Meat Cutters.

8. In the event an employee's absence due to illness or injury exceeds ninety (90) calendar days, he/she shall receive a pro-rata vacation for that anniversary year only, consisting of one-twelfth (1/12th) for each month in excess of ninety (90) days. The first ninety (90) days shall be considered as time worked for computing such pro-rata vacation.
9. Vacations shall be selected as follows:
 - a) Combine two (2) stores together to select vacations ("Group").
 - b) Each area will have approximately eleven (11) "Groups" of two (2) stores.
 - c) All Market Managers, Journeymen, and Wrappers in "Group" will select vacations by seniority.
 - d) Limit vacations in "Group" to one (1) per week.
 - e) In the event that the number of vacation weeks earned by the employees in a "Group" are greater than the weeks available for vacation in the year, two (2) vacations will be allowed in one (1) week.
 - f) Weeks that "Groups" are allowed to send two (2) employees on vacation will be rotated between the "Groups".
 - g) Vacations will be selected by December 1st preceding the year to be selected.
 - h) Holiday weeks will be excluded from the selection.

SECTION 6.6: ABSENCES DUE TO INJURIES

Any regular employee unable to work because of injuries received during the regularly scheduled work week and whose injuries arose out of or during the course of his/her employment shall be entitled to a full day's pay for each day lost because of such injuries, but not in excess of four (4) days pay, including pay for the day of the injury, in the first seven (7) calendar days following the accident' provided, however, that the employee shall report upon receipt of the injury to the Employer's physician whose decision with respect to the length of time required off shall be controlling; provided further, that nothing in this provision shall affect any rights accrued to either party under the State Workmen's Compensation Act, and that the Employer shall receive credit for any payment made under this provision should compensation be awarded by the Industrial Commission of Illinois.

SECTION 6.7: FUNERAL LEAVE

The Employer agrees to pay all employees for the necessary absence on account of death in the immediate family up to, and including, a maximum of three (3) scheduled workdays at straight time, provided the employee attends the funeral. The term "immediate family" shall mean spouse, parent, child, brother, sister, father-in-law, mother-in-law, grandparents, son-in-law, daughter-in-law, and grandchildren of the employee.

This also includes grandparents, grandchildren, brother and sister of the present spouse, or any relative residing with the employee, or with whom the employee is residing.

SECTION 6.8: JURY PAY

When any full-time employee who is covered by this Agreement is summoned for jury service, he/she shall be excused from work for the day on which he/she reports for jury service and/or serves. He/she shall receive for such day on which he/she so reports and/or serves and on which he/she otherwise would have worked the difference between eight (8) times his/her regular hourly rate of pay and the payment he/she receives for jury service, if any provided, however, that no payment shall be made under the provisions of this Section to any employee summoned for jury service unless he/she shall have advised the Employer of the receipt by him/her of such jury summons not later than the next regularly scheduled work day after receipt of said summons. Before any payment shall be made to any employee hereunder, he/she shall present to the Employer proof of his/her summons for service, and of the time served and the amount of pay received, therefore, if he/she shall have served as juror. The provisions of this Section shall apply only when an employee is summoned for jury duty and shall not apply if an employee volunteers to serve as juror. When an employee is released for a day or part of a day during any period of jury service, he/she shall report to his/her store for work.

Any full-time employee who reports for jury service for five (5) days, Monday through Friday, shall not be scheduled to work on Saturday during that week. If, however, an employee volunteers to work on Saturday at the request of the Employer, the employee shall receive the appropriate hourly rate of pay for said day, such pay shall not be set off against or deducted from the forty (40) hours jury pay; provided further that hours worked on Saturday shall not be considered as hours in excess of forty (40) hours for overtime purposes. In no case shall the Employer's obligation for jury pay exceed one (1) panel per calendar year.

SECTION 6.9: LEAVE OF ABSENCE

Any employee desiring a leave of absence shall make such request in writing to the Personnel Department of the Employer. The Union shall be notified by the Employer when an employee is granted a leave of absence, indicating the date the leave becomes effective and the date it will terminate, as well as the reasons for such granted leave.

The Employer will use reasonable and fair judgment in determining whether or not an employee shall be granted a leave of absence.

SECTION 6.10: FAMILY LEAVE ACT

Family leave will be taken according to the Family Medical Leave Act (FMLA). A family member shall also include Step-Parents and Step-Child.

SECTION 6.11: FAMILY ILLNESS LEAVE

An employee with one (1) year of service may request a personal leave of absence, not to exceed ninety (90) days, for a catastrophic or terminal illness of a family member requiring full-time care. Such leave must be in writing and approved by the Director of Labor Relations.

SECTION 6.12: PREGNANCY LEAVE OF ABSENCE

Leaves of absence shall be granted for pregnancy leaves in accord with applicable laws. Certification in writing of pregnancy shall be made in the written request for leave prior to termination of active work.

SECTION 6.13: EFFECT OF LEAVES ON CONTRACT BENEFITS

Employees on leave will not be entitled to holiday pay, jury pay or funeral pay, nor shall time be counted toward vacation eligibility.

Time spent on leave of absence will not be counted toward wage progression increases.

ARTICLE VII: HEALTH & WELFARE

SECTION 7.1: HEALTH & WELFARE FUND

Pursuant to provisions contained in a previous Collective Bargaining Agreement there has been established a Health and Welfare Fund known as the "United Food and Commercial Workers Unions and Employers Midwest Health Benefits Fund"; said Fund is hereinafter referred to as the "Health and Welfare Fund".

SECTION 7.2: ELIGIBLE EMPLOYEE DEFINED

As used herein "An eligible employee" is an employee:

1. Who is covered by this Contract;
2. Who has completed a "Qualification Period" as defined below:

Who has worked eighty (80) or more hours in a calendar month following the completion of his/her qualification period (Part-time employees must work twenty-four [24] or more hours in a calendar month following the completion of their qualification period).

"Qualification Period" means a calendar month in which an employee has worked one hundred twenty-eight (128) hours for his/her Employer (forty-eight [48] or more hours for a part-time employee). Hours worked during an employee's probationary period shall not be counted toward completion of his/her

Qualification Period. Hours worked during an employee's Qualification Period shall not be counted toward the number of hours worked in a calendar month needed to be considered an "Eligible Employee" for that calendar month.

If a part-time employee averages thirty-two (32) hours or more for thirteen (13) consecutive weeks, such employee shall be eligible for the full-time contribution rate, and shall remain eligible for the full-time contribution rate, subject to the qualification.

When an Eligible Employee's seniority has been terminated under this Agreement, that employee shall no longer be an eligible employee until he/she shall have completed another Qualification Period. If an employee has not lost seniority, only eighty (80) hours are required (only twenty-four [24] hours are required for part-time employees).

SECTION 7.3: EMPLOYER CONTRIBUTIONS

The Employer shall contribute, by no later than the tenth (10th) day of each month into the United Food and Commercial Workers Union and Employers Midwest Health Benefits Fund.

Employees hired prior to October 31, 2005 shall become eligible for contributions to the Fund in accordance with the terms of the Agreement in effect prior to that date.

Employees hired after October 31, 2005 shall become eligible for contributions to the Fund for Plan B benefits after fifteen (15) months service from the Sunday following their date of hire.

Contribution rates for employees hired prior to October 31, 2005 who become eligible for Plan A contributions to the Fund shall be as follows:

Effective October 1, 2005	Full-Time: \$817.00/mo
Effective October 1, 2005	Part-Time: \$458.00/mo
Effective October 1, 2006	Full-Time: \$899.00/mo
Effective October 1, 2006	Part-Time: \$504.00/mo
Effective October 1, 2007	Full-Time: \$989.00/mo
Effective October 1, 2007	Part-Time: \$554.00/mo

Contribution rates for employees hired after October 31, 2005 who become eligible for Plan B contributions to the Fund shall be seventy-five percent (75%) of the Plan A contribution rates specified above from the date an employee becomes eligible for contributions as set forth above until the conclusion of sixty (60) months of service from the employee's date of hire, after which employees shall become eligible for Plan A contributions and for Plan A benefits subject to the eligibility requirements of the Fund.

Effective October 1, 2005, all employees who are eligible for benefits from the Fund, or who become eligible for benefits from the Fund, shall make Employee Contributions to a Section 125 Plan ("the Plan") established by the Employer in order to become and remain eligible for benefit coverage from the Fund. The contributions received by the Plan shall be remitted to the Employer to offset the Employer Contributions set forth in Section 7.3 above as follows:

Single Coverage	\$5.00 per week
Dependent Coverage	\$15.00 per week

An employee who fails to elect single or dependent coverage and to pay the above Employee Contributions in accordance with the rules of the Fund shall be ineligible for benefits from the Fund.

The Employer Contributions required to be made by this Section 7.3 shall be made for all employees who are eligible for contributions to the Fund under the terms of this Section 7.3, regardless of whether an employee pays the Employee Contribution specified in Section 7.3 above and receives benefits from the

Fund, or does not make the Employee Contribution so specified and does not receive benefits from the Fund.

The Language of Article IV "Health & Welfare Fund" of the Service Delicatessen Supplement and Article VII "Health & Welfare Fund" of the Seafood Department Supplement shall be modified to conform to the foregoing Meat Cutters agreement language changes.

SECTION 7.4: PAID HOLIDAYS, VACATIONS & COMPENSABLE ABSENCES

For the purpose of determining the obligation to contribute to the Health & Welfare Fund, paid holidays, vacations and other absences for which wages are paid shall be considered to be time worked, and, for purposes of the hours requirement set forth in this Article, each day of paid vacation, holiday or other absence shall be based on hours compensated.

SECTION 7.5: EXTENSION OF CONTRIBUTIONS

An eligible employee who is laid off shall be deemed to have worked eighty (80) hours in the month in which the layoff has occurred and eighty (80) hours in the next following month and an Employer contribution shall be paid for such months in accordance with Section 7.3 of this Article. (An eligible part-time employee who is laid off shall be deemed to have worked 24 hours in the month in which the layoff occurred and 24 hours in the next following month and an Employer contribution shall be paid for such months in accordance with Section 7.3 of this Article).

An eligible employee who is not working due to an occupational injury incurred while working for the Employer shall be deemed to have worked eighty (80) hours in each of the six (6) calendar months following the month in which the injury was sustained, and Employer contributions shall be paid for such months in accordance with Section 7.3 of this Article. (For part-time employees the employee shall be deemed to have worked twenty-four (24) hours in each of the six (6) calendar months.)

An Eligible employee who is not working due to a non-occupational accident or illness shall be deemed to have worked eighty (80) hours in the month in which the injury was sustained or the illness commenced, and eighty (80) hours in the next following month and an employer contribution shall be paid for such months in accordance with Section 7.3 of this Article. (Part-time employees shall be deemed to have worked twenty-four (24) hours in the month in which the injury was sustained or the illness commenced, and twenty-four (24) hours in the next following month.)

SECTION 7.6: TERMINATION OF EMPLOYER'S PLAN

Payment by the Employer into the Health & Welfare Fund with respect to any employee shall be in lieu of all Employer established plans or programs, including sickness and accident disability pay, hospital, medical and surgical care, major medical expense and group life and accident insurance, each of which program shall automatically terminate with respect to such employee effective on the date liability to make such contributions first accrues.

SECTION 7.7: TERMINATION OF CONTRIBUTIONS

Contributions on behalf of an Eligible Employee shall continue until terminated in accordance herewith. Unless otherwise herein provided, contributions shall be discontinued as of the first day of the month following:

1. Termination of employment.
2. A layoff or leave of absence of thirty (30) calendar days.
3. The employee's ceasing to be an Eligible Employee as set forth above.
4. Expiration of the period of continued contributions for lay-off, occupational injury, non-occupational injury and illness provided above.

SECTION 7.8: TRUST AGREEMENT

The Employer adopts and agrees to be bound by all of the terms and provisions of the Agreement and Declaration of Trust creating the United Food and Commercial Workers Unions and Employers Midwest Health Benefits Fund, as the same may be amended from time to time (the "Trust Agreement"), as fully as if the Employer was an original party thereto, a copy of which Trust Agreement has been made available to the Employer. The Employer hereby designates as its representatives on the Board of Trustees of the Fund, the Employer Trustees serving at the time of the execution of this Agreement, together with their successors selected in the manner provided in the Trust Agreement. The Employer agrees to be bound by all actions taken by said Trustees pursuant to the powers granted to them by the Trust Agreement.

SECTION 7.9: PAYROLL AUDITS

The Employer agrees to make available to the Trustees or their designee during normal business hours, all payroll records and other employment records necessary to ascertain that their contributions required under this Agreement have been paid correctly and in full.

SECTION 7.10: TRUSTEES' LIMITATIONS

Nothing in the Agreement shall authorize the Board of Trustees to increase the amount of contributions required to be paid by the Employers pursuant to this Agreement, to extend the period for which the contributions shall be made or to authorize the Board of Trustees to bind the Employer in any manner inconsistent with the terms of this Agreement or the Trust Agreement.

SECTION 7.11: TERMINATION OF PARTICIPATION

If for any reason, the Employer's participation in the Health and Welfare Fund fails to commence or, having commenced, is terminated, then the Employers shall pay the contributions herein required to a qualified health and welfare plan upon which the Employer and the Union shall agree, or, in the event the agreement is not reached, the disposition of such payment shall be determined in accordance with the grievance procedures contained in this Agreement.

ARTICLE VIII: PENSION

SECTION 8.1: PENSION FUND

By agreement with Employers, the International Union with which this Local Union is affiliated has established a Pension Fund designated as the UNITED FOOD & COMMERCIAL WORKERS INTERNATIONAL UNION - - INDUSTRY PENSION FUND (the "Pension Fund").

SECTION 8.2: EMPLOYER'S CONTRIBUTION & DEFINITION OF ELIGIBLE EMPLOYEE

For each employee who is covered by this agreement who has completed his probationary period and who is customarily engaged to work forty (40) hours per week or more on a regular basis (hereinafter called "an eligible employee"), the Employer shall pay to the Pension Fund the sum of \$170.00 per month, provided the eligible employee worked an average of thirty-two (32) hours per week in the four (4) consecutive weeks preceding the month in which the payment is due.

The Employer shall contribute to the United Food & Commercial Workers International Union-Industry Pension Fund.

For part-time employees, the Employer shall contribute to the Pension Fund, for all employees with one (1) or more years of service. The contribution shall be \$40.00 per month.

All current employees will continue to receive Pension and Dominick's Finer Foods, LLC 401 (k) Plan, as is currently in effect.

All employees hired after January 7, 1998, shall be eligible to make personal deposits to the 401 (k) program without Company contributions. Eligibility shall continue to be pursuant to the 401 (k) Plan.

The Employer shall contribute on behalf of said eligible employee on or before the tenth (10th) day of the month following the month in which the work determining the contribution was performed. Payment shall be made at such location as the Trustees of the Pension Fund shall from time to time designate. For any eligible employee first coming under this agreement or hired after the date for which contributions were first payable to the Pension Fund by the Employer pursuant to this or a prior collective bargaining agreement, contributions shall be paid on account of work performed on and after the first day of the calendar month after such employee has been on the Employer's payroll for thirty (30) days.

SECTION 8.3: COMMENCEMENT OF CONTRIBUTIONS

The commencement of contributions to the Pension Fund is contingent upon acceptance of the employees covered hereunder in the Pension Fund. The Employer shall make contributions as provided in this Agreement upon receiving written notice of the Trustees' acceptance. Thereafter, this Agreement shall remain in effect during the term set forth in Article XIV hereof and any extensions, renewals or modifications thereof and the terms hereof shall not be amended without the express written consent of the Trustees of the Pension Fund, the Local Union, and the Employer provided, however, that nothing herein contained shall limit the right of the Trustees to terminate participation of the employees covered hereunder in the Pension Fund on account of the Employer's failure to make contributions or as otherwise provided in the Trust Agreement or Pension Plan and, further provided, that nothing herein contained shall limit the right of the Employer and the Local Union to terminate participation in the Pension Fund, subject to the terms of the then existing Trust Agreement and Pension Plan.

SECTION 8.4: TERMINATION OF CONTRIBUTIONS

Contributions to the Pension Fund shall be discontinued as of the first of the month following:

1. Termination of employment.
2. A layoff or leave of absence of thirty (30) calendar days or more.
3. The employee's ceasing to be an eligible employee due to his failure to work thirty-two (32) hours or more per week for eight (8) consecutive weeks.

SECTION 8.5: TOTAL HOURS WORKED

For the purpose of determining the obligation to contribute to the Pension Fund, paid holidays, vacation and other absences for which wages are paid shall be considered to be time worked.

SECTION 8.6: EMPLOYER'S RIGHTS

The obligation to pay contributions to the Pension Fund shall in no way affect any rights to discharge an employee granted the Employer under this agreement.

SECTION 8.7: BENEFIT LEVEL

Employer contributions to the Pension Fund shall be used to provide retirement benefits for eligible employees in accordance with the Pension Plan adopted from time to time by the Trustees of said Pension Fund (the "Trustees").

SECTION 8.8: TRUSTEES' REMEDIES

The Employer's obligation hereunder to contribute to the Pension Fund shall not be subject to any implied bargaining agreement.

In addition to any other remedy which may otherwise be available to them, the Trustees of the Pension Fund shall have the right to sue in any court of competent jurisdiction to secure the payment of any monies due hereunder without the necessity of first utilizing any other remedy, provided, however, that if the Employer's obligation to contribute is contingent upon the resolution of an existing dispute between the Employer, Union or employee, which is the subject of a grievance or arbitration pursuant to Article XI hereof, the right of the Trustees to sue shall be stayed until the grievance and/or arbitration procedure is exhausted, but not more than 190 days after the Trustees' initial demand for the Employer's contribution.

The Trustees shall be bound by the final disposition of the grievance or the findings of the arbitrator in determining the Employer's obligation to contribute hereunder.

SECTION 8.9: TRUST AGREEMENT

The Employer adopts and agrees to be bound by all of the terms and provisions of the United Food & Commercial Workers International Union Industry Pension Fund Agreement and Declaration of Trust, as amended from time to time, (the "Trust Agreement") as fully as if the Employer was an original party thereto, a copy of which Trust Agreement the Employer has received. The Employer hereby designates as its representatives on the Board of Trustees of the Fund, the Employer Trustees named in said Trust Agreement, together with their successors selected in the manner provided therein. The Employer agrees to be bound by all actions taken by said Trustees pursuant to the powers granted them by the Trust Agreement.

SECTION 8.10: TRUSTEES' LIMITATIONS

Nothing in this Agreement shall authorize the Board of Trustees to increase the amount of contributions required to be paid by the Employer pursuant to this agreement to extend the period for which the contributions shall be made or to authorize the Board of Trustees to bind the Employer in any manner inconsistent with the terms of this Agreement or the Trust Agreement.

SECTION 8.11: COMPLIANCE WITH LAW

The Agreement and Declaration of Trust herein provided for shall comply in all respects with the applicable provisions of the Labor Management Relations Act of 1947, as amended, and also with the section 7(e) (4) of the Fair Labor Standards Act as amended so that with respect to the latter, the contributions herein provided for shall qualify as exclusions from the regular rate of pay. Said Trust shall also comply with all applicable provisions of the Internal Revenue Code of 1954 as amended and the regulations issued thereunder, so that the Trust shall constitute a qualified Trust under the provisions of Section 401 (a), the Employer's contributions to the Pension Fund shall be deductible under Section 404 (a), and the Pension Fund shall be exempt from taxation under Section 501 (a) of the Internal Revenue Code.

SECTION 8.12: TRUSTEES' ACCEPTANCE

The Trustees' acceptance for participation in the Pension Fund of the employees covered hereunder shall be limited only to categories of employment covered hereunder at the time application for such acceptance occurs and the admission of any other category of employment to participation in the Pension Fund shall require specific acceptance by the Trustees.

ARTICLE IX: UNION-MANAGEMENT RELATIONS

SECTION 9.1: UNION EMPLOYEES

The Union, if requested, will furnish people, insofar as they are available, who will work to the best interest of the Employer in every way, just and lawful, who will give honest and diligent service to patrons of the Employer's establishment, and who will do everything within their power for the uplifting of the meat industry.

SECTION 9.2: UNION SHOP

It shall be a condition of employment that all employees of the Employer covered by the agreement who are members of the Union in good standing on the date on which this agreement is signed shall remain members in good standing and those who are not members on the date which this agreement is signed shall, on the thirty-first (31st) day following the date on which this agreement is signed, become and remain members in good standing in the Union. It shall also be a condition of employment that all employees covered by this agreement and hired on or after the date this Agreement is signed, shall, on the thirty-first (31st) day following the beginning of such employment become and remain members in good standing in the Union.

The Employer shall have new employees fill out a Union Membership Application at the same time the employee fills out other employment forms required by the Employer. At the end of each month, the Employer shall transmit all such applications to the Local Union.

SECTION 9.3: BUSINESS REPRESENTATIVES

Union Business Representatives shall be admitted to the Employer's market premises during the hours the store is open for the purpose of ascertaining whether or not this Agreement is being observed and for the collecting of dues. Such activities shall be conducted in such a manner as not to interfere with the orderly operation of the Employer's business. Business Representatives shall have full authority to request the immediate discharge of any employee who has voluntarily agreed with his/her Employer to receive wages below the wage scale fixed herein.

SECTION 9.4: DISCHARGE

During an employee's probationary period, that is, during his/her first thirty (30) days of employment, an employee may be discharged for any reason at the sole discretion of the Employer. After an employee has completed the probationary period, such employee shall not be discharged or otherwise disciplined without just cause. Drunkenness, dishonesty, incompetence, incivility or use or possession or sale of controlled substances will be sufficient cause for dismissal.

SECTION 9.5: DISPLAY OF CONTRACT & UNION SHOP CARDS

This agreement is to be kept posted in the place of employment so that every employee may have equal and easy access to same. The Employer shall provide space for a bulletin board on which the Union may post notices.

It will be the duty of the Employer to prominently display Union Shop cards in all establishments wherein Union meat cutters are employed. These cards shall remain the property of the Union, and the Employer shall have their usage only until such time as the Union shall request their return. The Employer agrees to surrender same immediately upon demand by the Union.

SECTION 9.6: CONCESSIONS TO OTHER EMPLOYERS

The Union agrees that during the term of this Agreement it will not enter into a contract with any other Employer which grants to such other employer the right to operate self-service markets for lesser wages or longer hours or any other conditions of employment or market operation most favorable to such other employer than those contained in this Contract except upon the condition that this Employer shall receive the benefit of any more favorable terms granted to such other Employer.

It is understood and the parties hereby stipulate and agree that this provision does not apply with respect to any employer not under contract with the Union or whose employees are not represented by the Union on the date of ratification of this agreement, provided further that this exception is only applicable for the duration of this agreement. The Employer agrees that this clause will not be invocable until the last day of the contract.

SECTION 9.7: CHECK-OFF

The Employer shall for the term of this Agreement deduct initiation fees and Union dues from the pay each month of employees who are members of the Union and who individually certify in writing authorization for such deductions. The authorization for such deductions may be revoked by the employee upon giving thirty (30) days written notice to the Employer and the Union. The Employer shall remit all sums deducted in this manner to the Union by the tenth (10th) day of the following month.

SECTION 9.8: A.B.C. (ACTIVE BALLOT CLUB) CHECK-OFF

The following provision shall become effective for U.F.C.W. Local 1546 Meat Division, if and when such Local Union desires to institute such check-off procedure. Upon sixty (60) days' notice to the Employer involved, the following shall become applicable:

The Employer agrees to honor and to transit to the Union contribution deductions to the United Food and Commercial Workers International Union Active Ballot Club from employees who are Union members and who sign deduction authorization cards. The deductions shall be in the amounts, and with the frequency specified on the political contribution deduction authorization cards.

SECTION 9.9: FREE WORK PROHIBITION

It is intended that there be no "free time" or "time off the clock" work practices under this Agreement. Any employee found by the Employer or the Union to be engaging in such unauthorized practice shall be subject to discipline, which may include termination.

ARTICLE X: SENIORITY

SECTION 10.1: SENIORITY DEFINED

Seniority means the rights defined herein secured by employees by length of continuous full-time employment with the Employer, that is full-time employment uninterrupted by termination of service.

Seniority starts from the last date when the employee starts work as a full-time employee, provided, however, that new employees shall not acquire any seniority rights until they have completed the probationary period of thirty (30) days, or sixty (60) days by mutual agreement of the employer, employee and Union, after which their seniority shall date back to the date the employee started to work. When two or more employees start work the same day, the date of birth shall determine their relative seniority. It being understood that the older employee shall be deemed to be more senior.

An employee's seniority shall be terminated if he/she: (1) quits; (2) retires; (3) is discharged; (4) fails to report after a layoff within seven (7) calendar days after the Employer sends to the last address known to the Employer a written notification of return to work (with copy to the Union); (5) fails to return to work upon expiration of an authorized leave of absence; (6) refuses, as an alternative to being laid off, to accept work in his/her classification in another store within the seniority area; (7) refuses, after having been laid off, to accept work in his/her job classification in any store in the seniority area; or (8) has been laid off by the Employer for a period of one year.

The "in-service" date of an employee who progresses from Apprentice to Journeyman, or who is demoted from Head Meat Cutter to Journeyman shall not be affected by such change in classification.

An employee's seniority shall not be affected as a result of a transfer.

A complete seniority list of the Company's employees working within a local union's jurisdiction will be furnished to the Union each calendar year.

In the event an employee transfers from one department to another, their date of transfer shall become their new seniority date within the department for the purpose of scheduling and lay-off.

SECTION 10.2: LAYOFFS & RECALLS AFTER LAYOFFS

Seniority shall control the order of lay-offs and recalls after lay-off within the affected "seniority areas" within the following job classifications:

- (1) Head Meat Cutter
- (2) Journeyman and Apprentices
- (3) Wrappers

The Employer shall give a two (2) week notice when it becomes necessary to lay-off a regular full time Employee, or two (2) weeks' pay in lieu of notice.

If a Journeyman in one seniority area is laid off, such Journeyman could displace another Journeyman in another area, who has lesser seniority, on a voluntary basis. Once a Journeyman exercises this option to displace another Journeyman, he shall become part of that new area's seniority roster.

The term "seniority area" means the area covered by the operating division district or administrative or geographic unit used by the Employer, as said Employer's unit may be organized from time to time, and falling within the cities and counties in which the Employer has recognized the union Local. The Employer shall notify the Union in writing of the areas comprising its seniority areas as modified from time to time. The Employer agrees to notify the Union in advance of any changes in the seniority area before they are implemented.

The Employer agrees to discuss any questions raised by the Union regarding seniority areas.

It is mutually agreed that for the term of this Agreement there shall be no inclassification transfers of employees from one "seniority area" to another "seniority area" as defined above in the instance where there are employees on layoff status in that particular classification in the area in which an employee from another area is sought to be transferred.

SECTION 10.3: PROMOTION TO SUPERVISION

If an employee is promoted from a job within the bargaining unit to a supervisory position with the Employer and is returned to the collective bargaining unit within one year, he/she shall commence work with the seniority rank he/she had at the time of his/her promotion.

SECTION 10.4: SENIORITY OF EMPLOYEES ON LEAVES OF ABSENCE

The seniority rights of an employee who either by voluntary action or draft, entered the Armed Forces of the United States shall continue as though he/she had not been absent, and he/she shall have the right to be reinstated to his/her employment as provided by law and regulation thereunder.

The seniority of an employee on an extended leave of absence, which is hereby defined as any leave of absence, other than military leave of absence, in excess of ninety (90) days, shall be protected to the expiration of said leave of absence but not in excess of one year, but such seniority shall not accumulate during any period of absence in excess of one year. The Employer will grant a leave of absence up to one (1) year for purposes of working for the Union.

SECTION 10.5: STORE CLOSINGS

The Company must give the Union thirty (30) days' notification of any store closing.

ARTICLE XI: GRIEVANCES & ARBITRATION

SECTION 11.1: NO STRIKE, NO LOCKOUT

The Union and the Employer agree on the need for the continuance of their service to the public without interruption. Both recognize this objective as necessary to the security of the Employer and its people. Both therefore, specifically pledge themselves to help assure that security by using the procedures agreed upon between them for the adjustment of disputes and grievances in all cases where there is any difference of opinion concerning the rights of either under this contract or the interpretation or application of any provision of it. Therefore, subject to the exceptions stated herein, during the term of this agreement there shall be no strikes, work stoppage, diminution or suspension of work of any kind whatsoever on the part of the Union or its membership, nor shall there be any lockout on the part of the Employer. No officer or representative of the Union shall authorize, instigate, aid or condone any strike, work stoppage, diminution or suspension of work of any kind whatsoever prohibited by the provisions of this paragraph. No employee shall participate in any such prohibited activities.

The Union reserves the right to strike and/or picket the market or markets involved in the grievance in the event the Employer shall fail or refuse to comply with any decision of a board of Arbitration issued pursuant to the proceeding under Section 11.3 of this Article within ten (10) days after notice thereof. The

Employer reserves the right to declare a lockout should the Union fail or refuse to comply with any decision of the Board of Arbitration within ten (10) days after notice thereof.

The Union further reserves the right to strike any Employer who is required by this contract to make contributions to the Health and Welfare Trust Fund or the Pension Trust Fund who remains delinquent in the payment of a contribution for a period of fourteen (14) calendar days after a written notice is sent to the Employer by the Union; provided, however, that the Union without recourse to arbitration may not strike for this reason if within said fourteen (14) day period the Employer corrects said delinquency or notifies the Union in writing that there is a bona fide dispute as to whether the payment is delinquent or as to the amount of the delinquency and also initiate arbitration with respect to said dispute in accordance with the provisions of this contract.

Employees may refuse to cross a lawful primary picket line involving Dominick's Finer Foods, LLC and United Food and Commercial Workers Union Local 1546 provided the same has been sanctioned by Local 1546.

SECTION 11.2: TIME LIMIT ON GRIEVANCES

Grievances of any nature must be made within thirty (30) calendar days after the cause giving rise to the grievance becomes evident; and wage claims shall not be valid and collectible for a period earlier than ninety (90) days prior to the date of filing the grievance or the date the grievance arose, whichever date is most recent.

The above provision notwithstanding, in the event of any employee's termination, quit or retirement no grievance shall be discussed nor considered except for such grievance which must be presented within 14 days of such termination and which relate solely to the instance of termination, quit or retirement.

SECTION 11.3 GRIEVANCE & ARBITRATION

Should any dispute or grievance arise between the Employer and the Union or between the Employer and employees concerning the application and/or construction of this contract, the parties agree that such matter shall be adjusted, if possible, by negotiations. In the event the dispute or grievance cannot be resolved by negotiations within fifteen (15) days after the inception of the matter in dispute, then it shall be submitted immediately to a Board of Arbitration, consisting of three (3) persons, for final and binding decision. Either party may institute said arbitration proceedings by giving the other party notice thereof in writing, naming one person to act on its behalf on said Arbitration Board; and the other party shall, within five (5) days after receipt of such written notice, name one person to act on its behalf on said Arbitration Board. These two so selected shall designate the third member or referee of the Board. In the event these two so selected shall be unable, within fifteen (15) days, to agree upon the third member or referee, then the third member of the Board shall forthwith be designated under the rules and procedures of the Federal Mediation and Conciliation Service. The Board shall hold hearings and render its decision in writing within thirty (30) days with respect to a dispute under Article I, and within ninety (90) days with respect to any other dispute. The board's decision shall be final and binding upon the grievant employee, the Union and the Employer. The decision of any two members of the Board shall be the decision of the Board. If the parties shall agree upon one person to act as Arbitrator, his/her decision shall be as binding as that of a Board of Arbitration. The arbitrator shall have no power to add to, subtract from, modify, or amend any provision of this Agreement, nor to substitute his/her discretion over the intent of the Parties as set forth in this Agreement. The compensation and expense, if any, of witnesses and the cost of other evidence shall be borne by the party on whose behalf witnesses are called or the evidence is introduced. Each party shall pay for the compensation and expenses of the Arbitrator appointed by it. The compensation and expenses of the third Arbitrator and all other costs incurred in conducting the arbitration proceedings shall be borne equally by the parties hereto.

ARTICLE XII: SEVERANCE PAY

SECTION 12.1: SEVERANCE PAY

It is agreed that each full-time employee who is displaced from his/her employment for reason of the voluntary closing or selling of an Employer's store, shall be compensated for such displacement provided

he/she has been continuously employed by the Employer for a period at least one (1) year. An eligible employee compensated for his/her displacement shall be on the basis of forty (40) hours of severance pay (at his/her straight time hourly rate of pay excluding any premiums) for each full year of actual employment, commencing with the first year thereof. Payment under this formula shall be a maximum of 320 hours of severance pay.

For those employees who do not have one (1) completed year of continuous employment they shall receive pro rata pay as follows:

0 - 3 months:	25% of 40 hours straight time pay
3 - 6 months:	50% of 40 hours straight time pay
6 - 9 months:	75% of 40 hours straight time pay
+ 9 months:	40 hours of straight time pay

SECTION 12.2: LIMITATIONS ON SEVERANCE PAY

The above described severance pay will not be paid to:

- A. Any employee who accepts a job with the Employer at any location within their area, or any employee who refuses a job with the Employer at any location within their area;
- B. Any employee who voluntarily quits, or is discharged for cause, before he/she is separated from employment by the Employer prior to the voluntary closing or selling of an Employer's stores as outlined in Section 12.1 above;
- C. An employee accepting severance pay shall forfeit and cease to have any seniority and recall rights, as provided for in this Agreement;
- D. Any employee re-employed after receiving severance pay shall be considered a new employee from the date of reemployment.

SECTION 12.3: DEFERMENT OF SEVERANCE PAY

- A. In the event an eligible employee wishes to remain on the seniority list for the purpose of possible recall, he/she may elect to defer acceptance of his/her severance pay for a period of twelve (12) months. At any time during such period of twelve (12) months, however, he/she may request this severance pay, and his/her right of recall and seniority shall terminate as of that date.
- B. If such employee has not been recalled by the end of such period, he/she shall be paid his/her severance pay, and his/her right of recall and seniority shall terminate as of that date.

ARTICLE XIII: UNION SECURITY

The following pertains to union security relative to market operating hours:

- 1. **Monday through Friday - -**
The product covered by this Agreement may not be handled by anyone who is not a member of the bargaining unit between the hours of 6:00 p.m. and 9:00 p.m.

2. **Saturdays and Days Preceding Holidays** - -
The product covered by this Agreement may not be handled by anyone who is not a member of the bargaining unit between the hours of 6:00 p.m. and 9:00 p.m. on Saturdays or days preceding holidays unless work has been previously offered to members of the bargaining unit pursuant to Section 5.2 of the Agreement in that store and no one volunteered.
3. **Sundays and Holidays** - -
The product covered by this Agreement may not be handled by anyone who is not a member of the bargaining unit on Sundays or holidays unless work had been previously offered to members of the bargaining unit (pursuant to section 5.3) in that store and no one volunteered, except that in no event will product covered by this Agreement be handled by any non-bargaining unit employees on Christmas Day.
4. **Penalty** - -
The penalty for proven violations within each contract year of Subsections 1 through 3 above in any store on an individual store basis shall be as follows:
 - A. **First Proven Offense** - - Written warning to Employer with copy to the Manager of the store in which the violation occurred.
 - B. **Second Proven Offense** - - A fine in an amount equal to one-half (½) of the then prevailing journeyman straight time daily rate (four hours pay) to be divided equally among the members of the bargaining unit in the store in which the violation occurred.
 - C. **Third and Subsequent Offenses** - - A fine in an amount equal to the then prevailing journeyman straight time daily rate of pay (eight hours pay) to be divided equally among the members of the bargaining unit in the store in which the violation occurred.

It is further understood, and the parties hereby stipulate and agree, that the above provision relative to market operating hours are not indicative of any intent on the part of the Employer to violate any of the terms and conditions of the current Agreement relative to product jurisdiction. Rather, the purpose of those provisions is to curtail the broadening by the Employer of the periods of time when it may become necessary for the Employer to utilize people other than bargaining unit members to fill the meat cases due to an out of stock or other emergency situations, such as illness or accident to an employee on duty which necessitates his leaving work before the end of his work schedule; a personal emergency which calls for an employee to leave work prior to the end of his work schedule; or, a refrigeration or power failure. Furthermore, anyone not a member of the bargaining unit will ever be specifically scheduled to replace stock at a fixed time. In no event will product covered by this Agreement be handled by any non-bargaining unit employees on Christmas Day.

ARTICLE XIV: TERM

SECTION 14.1: INITIAL TERM

This Agreement shall become effective at 12:01 a.m., July 31, 2005, and shall expire at 12:00 midnight, August 2, 2008.

SECTION 14.2: RENEWAL TERM

If either party wishes to modify this Agreement at its expiration, it shall serve notice in writing of such request upon the other party not less than sixty (60) days prior to the expiration date. In the absence of the service of such notice, this Contract shall automatically renew itself for a period of one year and from year to year thereafter.

SECTION 14.3: RETROACTIVITY

This Contract shall remain in full force and effect until a new agreement is negotiated, but not beyond an additional sixty (60) days beyond the Contract expiration date. Any increases in wages set out in Article III resulting from the negotiations following the Contract expiration date shall be retroactive to the date of expiration, but not exceeding ninety (90) calendar days, whichever period shall be shorter. There shall be no retroactivity with respect to other Contract changes, such as changes in working hours or premium or overtime pay.

Executed this _____ day of _____, _____.

DOMINICK'S FINER FOODS, LLC

UNITED FOOD & COMMERCIAL
WORKERS UNION, LOCAL 1546
MEAT DIVISION

Dean C. Konick, Director, Labor Relations

Kenneth R. Boyd, President
International Vice President

RE: LETTER OF UNDERSTANDING

October 31, 2005

Mr. Ken Boyd
President
United Food & Commercial Workers
International Union, Local 1546
1649 West Adams Street
Chicago, IL 60612

RE: Letter of Understanding
Guaranteed Weekly Overtime - Head Cutters (Meat Managers), Deli Managers, and Former Meat
Production Managers

Dear Mr. Boyd:

This letter will confirm our understanding pertaining to guaranteed weekly overtime for Head Cutters (Meat Managers), Deli Managers, and former Meat Production Managers.

These managers weekly flat amount commonly referred to as "Guaranteed" weekly overtime will be eliminated during the term of the Collective Bargaining Agreement. Managers who are hired or promoted as of October 31, 2005 will not receive "Guaranteed" overtime. Meat Contract employees regardless of position who currently do not work "Guaranteed" overtime will not be eligible for "Guaranteed" overtime.

Such employees currently working guaranteed overtime will have their overtime eliminated as follows:

	10/31/05	01/01/06	01/07/07	01/06/08
Guaranteed Amounts	8 hrs per week	6 hrs per week	3 hrs per week	0
	7 hrs per week	5 hrs per week	3 hrs per week	0
	5 hrs per week	4 hrs per week	2 hrs per week	0
	3 hrs per week	2 hrs per week	1 hrs per week	0

These employees must work the overtime to receive the pay. Market Manager guaranteed overtime is not issued to an Assistant or Journeyman who is acting as relief manager.

If we have correctly set forth our understanding please so indicate by executing and returning the four (4) executed copies of this letter. Upon receipt of same, we shall return two (2) fully executed copies for your files.

Sincerely,

Dean C. Konick
Director, Labor Relations

Accepted and Agreed this _____ day of _____, 2005

UFCW International Union, Local 1546

Kenneth R. Boyd, President

RE: LETTER OF UNDERSTANDING

Dominick's Finer Foods, LLC Meat/Deli Clerks -Voluntary Severance Payout Matrix

The Voluntary Severance Plan ("VSP") and the involved matrix as previously proposed by the Employer July 21, 2005. The VSP shall be administered based on the wage rates paid to eligible employees on July 21, 2005. The Employer shall endeavor to commence the process associated with the VSP within ninety (90) days after ratification and will keep the Union informed of the status of the process.

(Payout Amount) x (All Hours Paid Over Last 52 Weeks as of 9/10/2005, up to 2080)*

From	To	Length Of Service (Years)								
		3-4	4-5	5-6	6-7	7-8	8-9	9-10	10-15	15+
\$16.00	Over	13.51	13.73	13.95	14.24	14.44	14.77	15.28	16.06	16.75
\$15.00	\$15.99	13.51	13.73	13.95	14.24	14.44	14.77	15.28	16.06	16.75
\$14.00	\$14.99	12.50	12.71	12.91	13.18	13.37	13.67	14.15	14.87	15.51
\$13.00	\$13.99	11.67	11.86	12.05	12.30	12.47	12.76	13.20	13.88	14.47
\$12.00	\$12.99	10.06	10.23	10.39	10.61	10.76	11.00	11.38	11.96	12.48
\$11.00	\$11.99	9.04	9.19	9.34	9.53	9.67	9.89	10.23	10.75	11.21

* Wage rate and length of service (LOS) as of 07/21/05.

DOMINICK'S FINER FOODS, LLC

2005 - 2008

**RETAIL MEAT CUTTERS CONTRACT
SERVICE DELICATESSEN SUPPLEMENT**

**United Food & Commercial Workers
International Union**

Local 1546, Meat Division

TERM: July 31, 2005 through August 2, 2008

I N D E X

2005 - 2008

DOMINICK'S FINER FOODS, LLC

RETAIL MEAT CUTTERS CONTRACT

SERVICE DELICATESSEN SUPPLEMENT

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DOMINICK'S FINER FOODS, LLC

2005 - 2008

RETAIL MEAT CUTTERS CONTRACT

SERVICE DELICATESSEN SUPPLEMENT

**United Food & Commercial Workers International Union
Local 1546, Meat Division**

TERM: July 31, 2005 through August 2, 2008

This Supplemental Agreement covering Service Delicatessen operations entered into between **Dominick's Finer Foods, LLC** hereinafter referred to as the "Employer" and **Local 1546, Meat Division, of the United Food & Commercial Workers International Union**, hereinafter referred to as the "Union."

ARTICLE I: GENERAL RECOGNITION

Unless otherwise specified herein the general conditions and obligations of the parties hereto set forth in the Master Contract covering market operations shall be applicable and are hereby incorporated by reference. This Supplement shall cover service delicatessen employees. The Employer shall determine which system of merchandising, service or self-service, or both, shall be utilized in delicatessen operations. The Employer recognizes the Union as the sole collective bargaining agent for all service delicatessen employees in its delicatessen operation.

SECTION 1.1: DELICATESSEN DUTIES

The Employer may employ regular full-time and part-time service delicatessen employees. Their duties shall include all activities assigned to the service delicatessen department provided service delicatessen department employees shall not perform any activities connected with the fabrication or processing of fresh meats and poultry. Service delicatessen department may include all usual service delicatessen operations including service luncheon meat, sausage operations, and service delicatessen employees may perform any and all functions required through final sale on all products assigned to the delicatessen department. Service delicatessen employees who are members of the Meat Cutters Union may also handle all self-service delicatessen products under the jurisdiction of the Meat Cutters Union as more fully set out in our Section 2.2 of the Master Contract.

Service Deli Clerks will be allowed to stock out of stock pre pack Deli items when no meat employee is on duty.

ARTICLE II: WORKING HOURS & OTHER CONDITIONS

SECTION 2.1: BASIC WORKDAY & WORK WEEK

The basic workday for full-time employees shall consist of eight (8) hours, to be scheduled within nine (9) hours during delicatessen operations. The basic workweek for full-time employees shall be five (5) basic workdays within a seven (7) day workweek. It is expressly understood that Article V of the Master Contract does not apply.

Any Employee who works forty (40) hours per week for twelve (12) consecutive weeks shall be made a full-time employee, provided that no hours during the twelve (12) consecutive weeks are related to coverage for any leave of absence, or disability of another employee.

SECTION 2.2: MEALS & REST PERIODS

1. **REST PERIODS** - - Each part-time employee shall be given one (1) uninterrupted fifteen (15) minute rest period each three and one-half (3 ½) hours, scheduled with a maximum of two (2) per work day. Rest periods shall be taken as near as practicable to the middle of each half-day. This provision to be administered so as to assure each employee fifteen (15) minutes in the break room provided by the Employer.
2. **MEAL PERIODS** - - No part-time employee shall be required to work more than five (5) continuous hours without an unpaid lunch or dinner period, which shall be not less than one-half (½) hour, nor more than one (1) hour, uninterrupted, as agreed with the employee. Lunch, dinner and rest periods shall be taken as scheduled by the Store Manager, who shall schedule the meal period as near as practicable to the middle of the workday.

The Company agrees that each store and all departments covered by this Agreement shall have a first aid kit as part of its equipment.

SECTION 2.3: CHRISTMAS EVE

No employee shall be required to work past 6:00 p.m. on Christmas Eve.

SECTION 2.4: OVERTIME & OTHER PREMIUMS

Time and one-half (1½) the employee's straight-time hourly rate shall be paid for all hours worked:

1. After eight (8) hours per day;
2. After forty (40) hours per week, if covered by Federal legislation;
3. On Sundays and holidays; and
4. After thirty-two (32) hours in a holiday workweek for recognized national holidays under the Master Contract.
5. Employees hired on or after October 31, 2005 shall not receive time and one half (1½) for work on Sunday. Sunday hours worked at straight time in the delicatessen will not exceed a ratio of 30% of the Sunday hours worked in the delicatessen in the Employer's 2005 payroll year, 40% in the Employer's 2006 payroll year, and 50% in the Employer's 2007 payroll year. This percentage will be administered on an individual delicatessen department basis. The Employer will provide delicatessen Sunday hours worked reports to the Union on a semi-annual basis for employees who are employed at the end of each semi-annual reporting period.

Effective March 4, 2007 employees hired on or after October 31, 2005 shall receive the following premium for all hours worked on Sundays:

13-24 months of employment	\$1.00 per Sunday hour;
25-36 months of employment	\$1.50 per Sunday hour;
37 or more months of employment	\$2.00 per Sunday hour.

Holiday pay shall be in addition to paid holiday entitlement.

SECTION 2.5: DELICATESSEN NIGHT PREMIUM

Delicatessen Department employees who work between 12:00 p.m. and 6:00 a.m. will receive a fifty cents (50¢) per hour night premium provided further that this premium shall not be payable for any hours worked for which the time and one-half overtime rate is payable.

SECTION 2.6: DELICATESSEN OPERATION HOURS

The Employer shall determine the hours and days the Delicatessen Department shall operate. Work schedules showing the day off for full-time and part-time employees shall be posted, in ink or computer printout, in all markets and departments by 3:00 p.m. on the Thursday preceding the week in which the schedule is to be effective. The schedule shall include Sunday through Sunday, and be posted in an area accessible to all employees.

SECTION 2.7: PART-TIME SCHEDULED HOURS

Part-time employees shall not be scheduled for less than four (4) hours work per day, unless otherwise mutually agreed upon between the Union and the Employer. Part-time employees shall be scheduled a minimum of sixteen (16), and a maximum of thirty (30), hours per week in the store in which they work. However, this shall not apply to an employee called in for replacement of another employee, or to an employee whose available hours are beyond the Employer's control, or to an employee called in to work when fewer than sixteen (16) available hours remain in the week, unless otherwise agreed upon between the Union and the Employer.

In the event that replacement hours are available, such hours shall be offered to employees at work that day, in order of seniority, provided such work does not result in overtime, and provided such employee agrees to work all such offered hours.

If two (2) or more part-time employees of equal ability within a store are scheduled for hours, and one is scheduled more hours than the other, the senior employee shall be given the choice of the greater number of hours, if such employee is available and qualified to work such hours. It is expressly understood that Article V of the Master Contract does not apply.

SECTION 2.8: PART-TIME PREFERENCE

In the event of full-time openings in the Delicatessen Department, preference shall be given to qualified part-time employees for such full-time openings. Any part-time employee hired on or before 10/05/85 who is promoted to full-time status shall progress to the 0-12 month full-time delicatessen rate in effect for full-time employees hired on or before 10/05/85. Part-time employees selected for full-time employment without interrupted service shall receive credit for their part-time service towards vacations by dividing their hours worked as a part-time employee by forty (40) to determine the number of weeks credit for full-time vacations.

SECTION 2.9: PREVIOUS EXPERIENCE

All employees will receive up to two (2) years credit for wage purposes, for prior service as an employee in a store where the department employees were represented by a U.F.C.W. Local. All prior service must be shown on the application, and must have occurred not more than two (2) years prior to the date of application.

SECTION 2.10: GENERAL

Full-time and part-time service delicatessen employees shall not perform work normally performed in the market operation, and their duties shall be confined to those set out in this Service Delicatessen Supplement. Personnel hired as wrappers in the markets shall not be assigned to perform work in the Service Delicatessen Department.

SECTION 2.11: UNION DUES CHECK-OFF

The Employer agrees to deduct the uniform dues and initiation fees from the paycheck of those covered part-time employees whose individual written, unrevoked authorizations are on file with the Employer, and to transmit the amounts so deducted to the Union. Said deduction authorizations shall be in such form as to conform with Section 302 (c) of the Labor Management Relations Act of 1947.

SECTION 2.12: A.B.C. (ACTIVE BALLOT CLUB) CHECK-OFF

The following provision shall become effective for U.F.C.W. Local 1546, Meat Division, if and when such Local Union desires to institute such check-off procedure. Upon sixty (60) days' notice to the Employer involved, the following shall become applicable:

The Employer agrees to honor, and to transmit to the Union, contribution deductions to the United Food and Commercial Workers International Union Active Ballot Club from employees who are Union members and who sign deduction authorization cards. The deductions shall be in the amounts, and with the frequency specified on the political contribution deduction authorization cards.

SECTION 2.13: DELICATESSEN DEPARTMENT HEAD RELIEF

A full-time or part-time employee who is designated to replace the Delicatessen Department Head for a period of one (1) week or more shall receive the minimum Delicatessen Department Head rate of pay, or their current hourly rate, whichever is greater.

ARTICLE III: VACATION/HOLIDAY/COMPENSABLE ABSENCES

SECTION 3.1: FULL-TIME EMPLOYEES

Full-time delicatessen employees shall be entitled to vacations, holidays, and other compensable absences as per the Master Agreement.

SECTION 3.2: PART-TIME EMPLOYEES

- A. Part-time delicatessen employees shall be entitled to holidays, employee's birthday, and sick days as per the Master Agreement. A week's vacation pay for part-time employees shall be calculated by multiplying 1/52 times the employee's hours worked during the preceding anniversary year times their current rate of pay in effect on his/her vacation day.
- B. Such sick days shall be compensated based upon the hours they would normally be scheduled to work on that day; the preceding four (4) weeks schedule will be used to determine sick pay due.
- C. The term "year of employment" means the period beginning on the date of most recent employment (or, after the first year, on the anniversary date of such employment) and ending on the day prior to said date twelve (12) months later.
- D. Part-time employees shall be entitled to pro rata holiday pay, employees birthday, and sick day pay based upon the hours they would normally be scheduled to work on that day. The preceding four (4) weeks schedule will be used to determine holiday pay due. In no event will such employee receive less than four (4) straight-time hours of pay.
- E. A part-time employee will be eligible for up to a maximum of three (3) days off with pay for the necessary absence to attend the funeral of a member of the immediate family, provided the part-time employee is scheduled for work on those days.
- F. An employee with one (1) year of service may request a personal leave of absence, not to exceed ninety (90) days, for a catastrophic or terminal illness of a family member requiring full-time care. Such leave must be in writing, and approved by the Senior Vice-President of Human Resources.
- G. By mutual agreement between the employer and the employee, the employee may use single vacation days.

ARTICLE IV: HEALTH & WELFARE

SECTION 4.1: HEALTH & WELFARE FUND

Full-time and part-time employees shall participate in the United Food and Commercial Workers Unions and Employers Midwest Health Benefits Fund as per the Master Agreement, and shall be provided with a plan of benefits by the Fund.

ARTICLE V: PENSION

The Employer shall contribute to the United Food & Commercial Workers International Union-Industry Pension Fund.

For part-time employees, the Employer shall contribute to the Pension Fund, for all employees with one (1) or more years of service.

Effective August 1, 2002, the part-time pension contribution shall be \$40.00 per month.

All current employees will continue to receive Pension and Dominick's 401 (k) Plan, as is currently in effect.

All employees hired after January 7, 1998 shall be eligible to make personal deposits to the 401 (k) program without Company contributions. Eligibility shall continue to be pursuant to the 401 (k) Plan.

ARTICLE VI: SENIORITY

The seniority provisions of the Master Contract shall apply within the following job classifications:

- A. Full-Time Delicatessen Employees
- B. Part-time Delicatessen Employees
- C. Delicatessen Department Manager

ARTICLE VII: WAGES

SECTION 7.1: WAGES

The minimum rate of pay as set out below shall be paid during the term of this Agreement.

	Current	7/31/05	7/30/06	7/29/07
Deli Manager	\$18.33	\$18.93	\$19.28	\$19.68

FULL-TIME & PART-TIME DELI EMPLOYEES

HIRED BEFORE 10/05/85

	Current	7/31/05	7/30/06	7/29/07
Part-time	\$14.00	\$14.15	\$14.40	\$14.65
Full-time	\$17.17	\$17.32	\$17.57	\$17.82

FULL-TIME & PART-TIME DELI EMPLOYEES
HIRED ON OR AFTER 10/06/85 THROUGH 11/21/88

	Current	7/31/05	7/30/06	7/29/07
Part-time	\$13.10	\$13.25	\$13.50	\$13.75
Full-time 60-72 Months	\$13.60	\$13.80	\$14.00	\$14.25
Full-time + 72 Months	\$14.10	\$14.25	\$14.50	\$14.75

FULL-TIME & PART-TIME DELI EMPLOYEES
HIRED ON OR AFTER 11/22/88 THROUGH 12/10/91

	Current	7/31/05	7/30/06	7/29/07
Part-time	\$12.35	\$12.75	\$13.00	\$13.25
Full-time 60-72 Months	\$12.85	\$13.00	\$13.25	\$13.50
Full-time + 72 Months	\$13.35	\$13.85	\$14.00	\$14.25

FULL-TIME & PART-TIME DELI EMPLOYEES
HIRED ON OR AFTER 12/11/91 THROUGH 10/31/2005

	Current	7/31/05	7/30/06	7/29/07
0-12 Months	\$7.50	\$7.75	\$8.00	\$8.20
13-24 Months	\$8.00	\$8.30	\$8.45	\$8.60
25-36 Months	\$8.80	\$9.00	\$9.20	\$9.20
37-48 Months	\$9.30	\$9.50	\$9.50	\$9.50
*49-60 Months #	\$11.05	\$11.30	\$11.30	\$11.30
61-72 Months	\$11.85	\$12.05	\$12.05	\$12.05
+72 Months #	\$12.35	\$12.60	\$12.60	\$12.60

*Part-Time Cap

Those employees at or above the part-time capped rate or the full-time top rate will receive increases of \$.15 effective 7/30/06 and \$.25 effective 7/29/07.

FULL-TIME & PART-TIME DELI EMPLOYEES
HIRED ON OR AFTER 10/31/2005

	7/31/05	7/30/06	7/29/07
0-6 Months	\$7.75	\$8.00	\$8.20
7-12 Months	\$8.00	\$8.30	\$8.50
13-24 Months	\$8.25	\$8.60	\$8.80
25-36 Months	\$8.80	\$8.90	\$9.00
37-48 Months	\$9.30	\$9.30	\$9.30
49-60 Months	\$9.80	\$9.80	\$9.80
61-72 Months	\$10.40	\$10.40	\$10.40
*73-84 Months	\$11.05	\$11.05	\$11.05
85-96 Months	\$11.85	\$11.85	\$11.85
+96 Months	\$12.35	\$12.35	\$12.35

*Part-Time Cap.

Lump Sum Payment

The Company will pay a \$.30 per hour lump sum payment within 30 days following ratification to employees at top rates or part-time capped rates in their classification. This payment shall be made on all hours worked in the 52-week period immediately preceding ratification. Employees on an approved leave of absence or lay-off shall receive their payment upon their return to work.

SECTION 7.2: NO REDUCTION - MARKET EMPLOYEES

Regular market employees engaged in Service Delicatessen Department work shall receive their regular rates of pay as set out in the Master Agreement for all work performed. Present market personnel will not be reclassified or laid off due to the hiring of delicatessen employees.

Except as expressly modified in this Service Delicatessen Supplement, all the provisions of the Master Contract shall be applicable to delicatessen employees.

Executed this _____ day of _____, _____.

DOMINICK'S FINER FOODS, LLC

UNITED FOOD & COMMERCIAL
WORKERS UNION, LOCAL 1546
MEAT DIVISION

Dean C. Konick, Director, Labor Relations

Kenneth R. Boyd, President
International Vice President

DOMINICK'S FINER FOODS, LLC

2005 - 2008

**RETAIL MEAT CUTTERS CONTRACT
SEAFOOD DEPARTMENT SUPPLEMENT**

**United Food & Commercial Workers
International Union**

Local 1546, Meat Division

TERM: July 31, 2005 through August 2, 2008

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DOMINICK'S FINER FOODS, LLC

2005 - 2008

RETAIL MEAT CUTTERS CONTRACT

SEAFOOD DEPARTMENT SUPPLEMENT

**United Food & Commercial Workers International Union
Local 1546, Meat Division**

TERM: July 31, 2005 through August 2, 2008

This Supplemental Agreement covering Seafood Department operations assigned to the Meat Department is hereby entered into between **Dominick's Finer Foods, LLC** hereinafter referred to as the "Employer" and **Local 1546, Meat Division, of the United Food & Commercial Workers International Union**, hereinafter referred to as the "Union."

ARTICLE I: GENERAL RECOGNITION

Unless otherwise specified herein the general conditions and obligations of the parties hereto set forth in the Master Contract covering market operations shall be applicable and are hereby incorporated by reference. This Supplement shall cover Seafood Department employees. The Employer shall determine which system of merchandising to be used in the Seafood Department. The Employer recognizes the Union as the sole bargaining agent for all Seafood Department employees in Seafood Department operations assigned to the Meat Department.

SECTION 1.1: SEAFOOD DEPARTMENT DUTIES

The Employer may employ regular full-time and/or part-time Seafood Department employees. Their duties shall include all activities assigned to the Seafood Department, with the understanding that the Employer may receive into and utilize in such departments, frozen fish items without the requirement that those items be price marked, and may receive into and utilize in such departments, fresh fish items without the requirement that those items be cut, prepared, fabricated, etc., priced or packaged on the premises. Seafood Department employees are not required to be craft people, however, they may perform all operations pertaining to fish, including the cutting, filleting, packaging, wrapping, pricing, displaying, etc. of either fresh or frozen fish.

Current Seafood and Wrapper employees shall be red-circled, and will not have hours reduced as a result of current Seafood employees doing wrapper duties, or current wrappers doing Seafood duties. As of January 7, 1998, Seafood employees or Wrappers may agree with the Employer to work in the other department. Effective January 7, 1998, employees will only be hired in as wrappers, and may be assigned Seafood work as determined by the Employer.

The Company agrees that each store and all departments covered by this Agreement shall have a first aid kit as part of its equipment.

ARTICLE II: WORKING HOURS & CONDITIONS

SECTION 2.1: BASIC WORKDAY & WORKWEEK

The basic workday for full-time employees shall consist of eight (8) hours, to be scheduled within nine (9) hours during the Seafood Department operations. The basic workweek for full-time employees shall be five (5) basic workdays within a seven (7) day workweek. It is expressly understood that Article V of the Master Contract does not apply.

SECTION 2.2: REST PERIODS & MEAL PERIODS

- A. **REST PERIODS** - - Each part-time employee shall be given one (1) uninterrupted fifteen (15) minute rest period each three and one-half (3½) hours, scheduled with a maximum of two (2) per work day. Rest periods shall be taken as near as practicable to the middle of each half-day. This provision to be administered so as to assure each employee a rest period in the break room provided by the Employer.
- B. **MEAL PERIODS** - - No part-time employee shall be required to work more than five (5) continuous hours without an unpaid lunch or dinner period, which shall be not less than one-half (½) hour, nor more than one (1) hour, uninterrupted, as agreed with the employee. Lunch, dinner and rest periods shall be taken as scheduled by the Store Manager, who shall schedule the meal period as near as practicable to the middle of the workday.

SECTION 2.3: CHRISTMAS EVE

No employee shall be required to work past 6:00 p.m. on Christmas Eve.

SECTION 2.4: OVERTIME & OTHER PREMIUMS

A. Time and one-half (1½) the employee's straight-time hourly rate shall be paid for all hours worked:

1. After eight (8) hours per day;
2. After forty (40) hours per week, if covered by Federal legislation;
3. On Sundays and holidays; and
4. After thirty-two (32) hours in a holiday week for recognized national holidays under the Master Contract.
5. Employees hired on or after October 31, 2005 shall not receive time and one-half overtime for work on Sunday. Effective March 4, 2007 employees hired on or after October 31, 2005 shall receive the following premium for all hours worked on Sundays:

13-24 months of employment	\$1.00 per Sunday hour;
25-36 months of employment	\$1.50 per Sunday hour;
37 or more months of employment	\$2.00 per Sunday hour.

B. Holiday pay shall be in addition to paid holiday entitlement.

SECTION 2.5: PYRAMIDING OF OVERTIME & PREMIUM HOURS PROHIBITED

Overtime and premium hours shall not be paid twice for the same hours worked. Thus, in calculating the overtime due on a weekly basis, any hours for which overtime or premium is payable on a daily, Sunday, holiday or other basis shall be excluded in determining the overtime due, if any, on a weekly basis.

SECTION 2.6: SEAFOOD DEPARTMENTS OPERATING HOURS

The Employer shall determine the hours and days the Seafood Department shall operate.

Work schedules showing the day off for full-time and part-time employees shall be posted, in ink or computer printout, in all markets and departments by 3:00 p.m. on the Thursday preceding the week in which the schedule is to be effective. The schedule shall include Sunday through Sunday, and be posted in an area accessible to all employees.

SECTION 2.7: PART-TIME SCHEDULED HOURS

Part-time employees shall not be scheduled for less than four (4) hours work per day, unless otherwise mutually agreed upon between the Union and the Employer. Part-time employees shall be scheduled a minimum of sixteen (16) hours per week in the store in which they work. However, this shall not apply to an employee called in for replacement of another employee, or to an employee whose available hours are beyond the Employer's control, or to an employee called in to work with fewer than sixteen (16) available hours remaining in the week, unless otherwise agreed upon between the Union and the Employer.

In the event that replacement hours are available, such hours shall be offered to employees at work that day, in order of seniority, provided such work does not result in overtime, and provided such employee agrees to work all such offered hours.

SECTION 2.8: SERVICE IN THE INDUSTRY

Employees will receive previous comparable Seafood experience for full-time and part-time employees in the retail food industry.

SECTION 2.9: UNION DUES CHECK-OFF

The Employer agrees to deduct the uniform dues and initiation fees from the paycheck of those covered part-time employees whose individual written, unrevoked authorizations are on file with the Employer, and to transmit the amounts so deducted to the Union. Said deduction authorizations shall be in such form as to conform with Section 302 (c) of the Labor Management Relations Act of 1947.

SECTION 2.10: A.B.C. (ACTIVE BALLOT CLUB) CHECK-OFF

The following provision shall become effective for U.F.C.W. Local 1545, Meat Division, if and when such Local Union desires to institute such check-off procedure. Upon sixty (60) days' notice to the Employer involved, the following shall become applicable:

The Employer agrees to honor, and to transmit to the Union, contribution deductions to the United Food and Commercial Workers International Union Active Ballot Club from employees who are Union members and who sign deduction authorization cards. The deductions shall be in the amounts, and with the frequency specified on the political contribution deduction authorization cards.

ARTICLE III: VACATIONS/HOLIDAYS/COMPENSABLE ABSENCES

SECTION 3.1: FULL-TIME EMPLOYEES' VACATIONS

Full-time Seafood Department employees shall be entitled to vacations, holidays, and other compensable absences as per the Master Contract.

Any employee who is scheduled the majority of their hours within the Seafood Department shall pick their vacation from the Seafood Department vacation schedule.

By mutual Agreement between the employer and the employee, the employee may use single vacation days.

SECTION 3.2: PART-TIME EMPLOYEES' VACATIONS

A week's vacation pay for part-time employees shall be calculated by multiplying 1/52 times the employee's hours worked during the preceding anniversary year times their current rate of pay in effect on his/her vacation day.

SECTION 3.3: HOLIDAYS

- A. **QUALIFICATIONS** - To qualify for holiday pay, all employees must work both the regularly scheduled work day before and after the holiday, except that this requirement shall be deemed to be met if the employee's failure to work said work days is due to his personal

illness, injury or other excused cause, provided that he works at least one (1) day in the work week in which the holiday falls.

- B. **HOLIDAY PAY** - Part-time employees who qualify shall receive holiday pay equal to the product of five percent (5%) of the number of straight time hours worked during the four week accounting period preceding the period in which the holiday falls (including paid vacation hours), times his straight-time hourly rate in effect in the week in which the holiday falls, it being understood that in no event will such employee receive less than four (4) straight-time hours of pay.
- C. **HOLIDAY RECOGNIZED** - All nationally recognized holidays in the Master Agreement in addition to the employee's birthday and sick days.

SECTION 3.4: FUNERAL LEAVE

All employees will be eligible for up to a maximum of three (3) days off with pay for the necessary absence to attend the funeral of a member of the immediate family, provided the part-time employee is scheduled for work on those days.

ARTICLE IV: SENIORITY

SECTION 4.1: SEAFOOD DEPARTMENT

The seniority provisions of the Master Contract shall apply within the following job classification:

- Full-Time Seafood Department Employees
- Part-Time Seafood Department Employees

Layoffs within the Seafood Department will be on a seniority basis. There will be no transfer rights into or out of the Seafood Department except at the sole discretion of the Employer, and employees in other departments covered by the Master Contract will have no right to displace employees employed in the Seafood Department.

SECTION 4.2: SERVICE DEPARTMENT

Employees who are currently working in a Service Department will be reassigned as either full-time or part-time Wrappers, with full seniority.

ARTICLE V: WAGES

All Seafood Department employees, **both full-time and part-time,** they will be paid as follows:

FULL-TIME & PART-TIME SEAFOOD EMPLOYEES HIRED ON OR AFTER 10/06/85 THROUGH 11/21/88

	Current	7/31/05	7/30/06	7/29/07
Part-time	\$13.10	\$13.25	\$13.50	\$13.75
Full-time 60-72 Months	\$13.60	\$13.80	\$14.00	\$14.25
Full-time + 72 Months	\$14.10	\$14.25	\$14.50	\$14.75

FULL-TIME & PART-TIME SEAFOOD EMPLOYEES
HIRED ON OR AFTER 11/22/88 THROUGH 12/10/91

	Current	7/31/05	7/30/06	7/29/07
Part-time	\$12.35	\$12.75	\$13.00	\$13.25
Full-time 60-72 Months	\$12.85	\$13.00	\$13.25	\$13.50
Full-time + 72 Months	\$13.35	\$13.85	\$14.00	\$14.25

FULL-TIME & PART-TIME SEAFOOD EMPLOYEES
HIRED ON OR AFTER 12/11/91 THROUGH 10/31/2005

	Current	7/31/05	7/30/06	7/29/07
0-12 Months	\$7.50	\$7.75	\$8.00	\$8.20
13-24 Months	\$8.00	\$8.30	\$8.45	\$8.60
25-36 Months	\$8.80	\$9.00	\$9.20	\$9.20
37-48 Months	\$9.30	\$9.50	\$9.50	\$9.50
*49-60 Months #	\$11.05	\$11.30	\$11.30	\$11.30
61-72 Months	\$11.85	\$12.05	\$12.05	\$12.05
+72 Months #	\$12.35	\$12.60	\$12.60	\$12.60

*Part-Time Cap.

Those employees at or above the part-time capped rate or the full-time top rate will receive increases of \$.15 effective 7/30/06 and \$.25 effective 7/29/07.

FULL-TIME & PART-TIME SEAFOOD EMPLOYEES
HIRED ON OR AFTER 10/31/2005

	7/31/05	7/30/06	7/29/07
0-6 Months	\$7.75	\$8.00	\$8.20
7-12 Months	\$8.00	\$8.30	\$8.50
13-24 Months	\$8.25	\$8.60	\$8.80
25-36 Months	\$8.80	\$8.90	\$9.00
37-48 Months	\$9.30	\$9.30	\$9.30
49-60 Months	\$9.80	\$9.80	\$9.80
61-72 Months	\$10.40	\$10.40	\$10.40
*73-84 Months	\$11.05	\$11.05	\$11.05
85-96 Months	\$11.85	\$11.85	\$11.85
+96 Months	\$12.35	\$12.35	\$12.35

*Part-Time Cap.

Seafood Department employees hired after 10/06/85 shall receive fifty cents (50¢) per hour premium pay for all hours worked between 11:00 p.m. and 6:00 a.m.

Lump Sum Payment

The Company will pay a \$.30 per hour lump sum payment within 30 days following ratification to employees at top rates or part-time capped rates in their classification. This payment shall be made on all hours worked in the 52-week period immediately preceding ratification. Employees on an approved leave of absence or lay-off shall receive their payment upon their return to work.

ARTICLE VI: ABSENCES DUE TO INJURIES

It is mutually agreed that for the term of this Agreement, Article VI of the Agreement applies to part-time employees to the extent that they were scheduled to work. Hence, part-time employees shall be entitled to pay for each scheduled day lost because of such injuries, but not in excess of four (4) scheduled days' pay, including pay for the day of the injury, in the first seven (7) calendar days following the accident.

ARTICLE VII: HEALTH & WELFARE

SECTION 7: HEALTH & WELFARE FUND

Full-time and part-time employees shall participate in the United Food and Commercial Workers Unions and Employers Midwest Health Benefits Fund as per the Master Agreement, and shall be provided with a plan of benefits by the Fund.

ARTICLE VIII: PENSION

The Employer shall contribute to the United Food & Commercial Workers International Union-Industry Pension Fund.

For part-time employees, the Employer shall contribute to the Pension Fund, for all employees with one (1) or more years of service.

Effective August 1, 2002, part-time pension contribution shall be \$40.00 per month.

All current employees will continue to receive Pension and Dominick's Finer Foods, LLC 401 (k) Plan, as is currently in effect.

All employees hired after January 7, 1998 shall be eligible to make personal deposits to the 401 (k) program without Company contributions. Eligibility shall continue to be pursuant to the 401 (k) Plan.

ARTICLE IX: JOURNEYMEN ASSIGNED TO SEAFOOD DEPARTMENT

Journeymen presently working in the Seafood Department may be transferred to the fresh meat operation at the Employer's discretion. Journeymen who continue to work in the Seafood Department, or are assigned to same, shall be paid at the Journeymen's pay rate in the Master Contract, and shall retain their seniority date as a Journeyman.

Inasmuch as the Seafood Departments are now the responsibility of the Market Manager (Head Meat Cutter), we will no longer utilize the classification of Seafood Head. However, any former Seafood Head who was not a Journeyman, and therefore, not reassigned a Journeyman's position within the market, shall continue to be paid the Journeyman rate. Also, the Seafood Handlers who were in service on or before October 5, 1985 shall continue to be paid at the full-time delicatessen rate applicable to delicatessen employees in service on or before October 5, 1985, plus a premium of four dollars (\$4.00) per week.

Furthermore, the Employer may continue to receive into, and utilize, frozen fish items without the requirement that those items be price marked, and continue to receive into, and utilize, fresh fish without the requirement that the product be cut, prepared, fabricated, etc., priced or packaged on the premises.

Lastly, Seafood Department employees need not be craft people, however, they may perform all operations relative to fish, including the cutting, filleting, packaging, wrapping, pricing, etc. of either fresh or frozen fish.

This Seafood Department Supplement shall remain in force during the term of the Master Contract of July 31, 2005 through August 2, 2008.

Executed this _____ day of _____, _____.

DOMINICK'S FINER FOODS, LLC

UNITED FOOD & COMMERCIAL
WORKERS UNION, LOCAL 1546
MEAT DIVISION

Dean C. Konick, Director, Labor Relations

Kenneth R. Boyd, President
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